



Invitation to tender  
International Retirement Plan  
Project **Green Climate Fund**

11 May 2015



## Table of contents

<b>Section</b>	<b>Page</b>
<b>A. Introduction .....</b>	<b>1</b>
<b>B. Completion of this document and timescale .....</b>	<b>2</b>
<b>C. Background .....</b>	<b>3</b>
<b>D. Provider requirements and assessment .....</b>	<b>5</b>



## A. Introduction

Punter Southall International (PSI) has been instructed by our client to review its retirement plan options with a view of appointing a provider if the terms prove attractive to do so. PSI is issuing this tender document to a number of potential providers and requests your response by 18.00 (GMT) on 26 May 2015. This tender is also advertised internationally and welcomes proposals from potential providers.

### **Instructions to Proposers**

Please submit an electronic version only of your response and associated literature to [julia.whittle@puntersouthall.com](mailto:julia.whittle@puntersouthall.com) or to the Green Climate Fund to [godonoghue@gcfund.org](mailto:godonoghue@gcfund.org)

If you require additional information prior to completing your response, please contact Tim Davis on 0203 327 5467 or via email: [tim.davis@puntersouthall.com](mailto:tim.davis@puntersouthall.com). No responses received after close of business on the date above will be considered.

**Corrupt, Fraudulent, Coercive, Collusive and other Prohibited Practices.** The Fund requires that all Fund staff, proposers/bidders, suppliers, service providers and any other person or entity involved in Fund-related activities observe the highest standard of ethics during the procurement and execution of all contracts. The Fund may reject any proposal put forward by proposers, or where applicable, terminate their contract, if it is determined that they have engaged in corrupt, fraudulent, coercive, collusive or other prohibited practices.

**Clarifications and Amendments.** At any time before submission of proposals, the Fund may amend the RFP. Any amendment made will be made available on the Fund's website and, if applicable, to all short-listed Firms at the same time.

Interested proposers may request clarification(s) on any part of the RFP. The request must be sent to the Punter Southall at the email address indicated above prior to the submission date. Responses to a request for clarification will be made available on the Fund's website and, if applicable, to all short-listed Firms.

**Preparation of the Proposal.** A proposal shall have two (2) components:

- Technical Proposal, and
- Financial Proposal.

The proposal shall be in English. All reports, opinions and other communications shall be in English unless agreed otherwise for a specific assignment.

The financial proposal shall express the price for Services in United States Dollars (USD).

**Technical Proposal.** The technical proposal shall provide the information requested in D below using the proposer's preferred proposal template:

## B. Completion of this document and timescale

Please complete your response as accurately as possible and attach any relevant documents, cross-referencing as appropriate.

The proposed timetable is as follows:

<b>26/05/2015</b>	Completed responses returned to Punter Southall International
<b>29/05/2015</b>	Provider review and short-listing completed by Punter Southall International/the Fund
<b>01/06/2015 - 03/06/2015</b>	Likely presentation.
<b>01/07/2015</b>	Likely provider appointment
<b>29/07/2015</b>	Likely commencement date



## C. Background

The Green Climate Fund (“the Fund”) was established with the purpose of making a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change. The Fund is governed and supervised by the Board and was designated as an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC).

Pledges amounting to \$10bn from key countries committed to climate change and is estimated to grow in future years.

The Fund’s headquarters are located in Songdo, Incheon City, Republic of Korea.

There are currently 33 members of staff with a mixture of international employees (25) and local hires (8). Employee headcount is expected to grow to c.50 within the next 2 years.

The current employees represent 14 nationalities, including 3 US Nationals, all working from Songdo.

The retirement plan constitutes an important benefit that enables the Fund to recruit and maintain high quality professional and support staff.

Through this request for proposals, the Fund is seeking to award, on the basis of a fair, transparent and competitive selection process, a contract to the successful provider to offer an International Defined Contribution Retirement Plan.

### **1. Plan objectives**

- provide Plan Members with a flexible and attractive retirement vehicle which benefits from long-term stability and fiduciary asset protection;
- sound administrative and information capability to promote and maximize retirement savings;
- enable Plan Members to remotely engage in and manage their retirement funds and modify their investment strategy;
- provide a range of investment options and currencies, with opportunities for protected and risk-adjusted returns.

### **2. Contribution Structure**

Contributions will be mandatory for all staff and will be a percentage of base salary. The Fund will contribute 18% of base salary with the employee contributing 9%.



The initial annual contribution will be in the region of \$1,075,000 and is estimated to rise to c. \$1,350,000 per annum within 2 years

Contributions will be paid on a calendar monthly basis through one payroll.

Employees of the Fund are not subject to local taxation.

## D. Provider requirements and assessment

### 3. *Technical Requirements*

The proposals will be evaluated using the following technical criteria and will represent 70% of the overall total. A proposal will be rejected if it fails to achieve the minimum technical threshold of 70% of the obtainable score of 70 points for the technical proposal.

#### **Platform features (15%)**

Taking into account the overall Plan anticipated objectives and structure, describe the platform structure and features, and in particular:

- Online access to accounts;
- Security and privacy of the Members' data and accounts;
- Investment option switching process;
- Retirement planning tools;
- Treatment and options for (regular/additional) contributions;
- Risk profiling and other investment decision-support tools;
- Foreseen evolution and openness to new developments - the chosen provider will need to be able to demonstrate how it has developed its capabilities in recent years, and plans for the future.

#### **Administration and Member services (10%)**

Taking into account the objectives, describe the administration and Member services, and in particular:

- Reporting tools available to the Board;
- Tools available to members – e.g. attitude to risk questionnaires, pension projection;
- Platform language options;
- Other member and organisation support;
- Access to online management reporting will be required. Access to scheme data is therefore required and providers should confirm what information can be made available (and that necessary DPA issues have been considered).

### 4. *Investment universe (15%)*

Taking into account the objectives, describe the available investment universe, including:

- Full investment fund range and in particular low risk and protected fund options;
- Core fund range options;
- Investment strategies (for example lifestyling);

- Performance and other available fund information to support investment-decisions capability to accept external investment products;
- Investment options at retirement (continuation, annuitization).

## **5. Communication, information and education (10%)**

Describe the communication, information and education tools, including:

- Data and information dissemination capabilities (including but not limited to platform and other Plan Member literature, economic research, market news etc.);
- Member support and existing help-lines.

Flexibility over the issue of scheme information will be necessary, as documentation will be issued via email and PDF.

The employer expects scheme literature to have good levels of branding. Please indicate your branding options.

PSI may undertake initial communication process, including presentations, with provider support. There may be an opportunity for the provider to directly offer this as well via webinars or other mediums – please indicate your terms with/without this capability.

## **6. Company credentials (10%)**

The required company information is as follows:

- Company history and experience (number, types and assets under management of clients in the area of international defined contribution);
- Two recent references to be made available upon request;
- Confirmation of financial strength;
- Security of your systems.

## **7. Fiduciary Services (10%)**

With regard to pension trustee/corporate services, please describe the trustee or alternative structure options available including the following:

- Trust base options
- Name of the Trust company/entity and relationship to you
- Describe the trust jurisdiction and brief summary of regulatory environment
- Describe trust asset protection



## **8. Financial Proposal**

The proposals will be evaluated using the following financial criteria and will represent 30% of the overall total. The financial proposals will be opened only for those firms/institutions whose technical proposals meets the technical threshold of 70% of the obtainable 70 points for the technical proposal.

The long-listed providers will itemize the total fee on a menu basis and provide a comprehensive quote identifying:

- Fiduciary services (15%)
  - Set up costs
  - Ongoing cost
  - Any single item costs (e.g. withdrawal and benefit distribution charges)
- Platform (15%)
  - Set-up costs
  - Platform operating fees
  - Administration fees
  - Investment management fees (including a clear description of performance-related fees)
  - Any single item costs (e.g. switch fees, currency exchange charges)

In respect of member charges, (a) demonstrate the simplicity and transparency of your charging structure and (b) confirm that within your insured funds it is possible to differentiate in the pricing between funds (i) by investment strategy (e.g. active v passive) and (ii) by asset class (e.g. funds not priced across the range so that in-house cash and bond not priced the same as in-house active funds). Please list the funds and any additional AMC that applies for any external fund managers available.

The Fund may decide to meet some of the costs of setting up the Plan as well as ongoing charges. Please confirm that this can be facilitated, and the effect on members' charges.

Indicate where these terms are dependent upon any additional conditions, such as use of internet administration, a restriction in the fund choice, etc.

## **9. Assumptions**

1. Assuming regular monthly contributions only
2. No commission payable to adviser