

15 February 2021

**Reference: RFP 2020/038 – Provision of Pension Plan Transition Advisory Services**

**ADDENDUM NO. 3**

This Addendum is issued to complement and will constitute integral part of the Request for Proposals. The original Request for Proposals Document will remain in full force and effect. Respondents shall take this Addendum into consideration when preparing and submitting their proposal.

**I. Responses to Requests for Clarifications**

No	Clarification requested	Response
1.	<p>Can you please explain about your existing retirement scheme(s) and provider(s)</p> <ol style="list-style-type: none"> <li>a. Number of schemes</li> <li>b. Scheme type (i.e. Korean DC or DB or International Pension Plan, etc)</li> <li>c. Scheme asset size</li> <li>d. Which provider(s) you are using for the administration service</li> <li>e. Is it master trust type? (i.e. a single provider managing both admin service and asset custodian)</li> </ol>	<ol style="list-style-type: none"> <li>a. We have two schemes one for administrative specially designed for administrative staff and the other for international staff.</li> <li>b. The administrative staff pension is administered by a local Bank while the international staff pension is an international plan administered by an international pension fund provider.</li> <li>c. We cannot access individual assets since every staff has the liberty to decide on the investment assets, but it is estimated at USD 30 million</li> <li>d. Answered in b above</li> <li>e. The same provider manages admin service and asset custody.</li> </ol>
2.	<p>In the task no.2, there is a scope for recommending International Pension Plan (IPP).</p> <ol style="list-style-type: none"> <li>a. May I clarify that you are considering to set up new IPP in addition to existing retirement scheme(s)?</li> <li>b. If so, do you also expect the IPP fund selection process to be included or just open all investment funds to members without fund selection?</li> <li>c. How many members do you assume to be enrolled in IPP?</li> </ol>	<ol style="list-style-type: none"> <li>a. The current provider is terminating the agreement so it will be a new scheme.</li> <li>b. The advisory firm is expected to assist in the design of the plan, selection of a suitable administrator and custodian, and the transition to the new service provider.</li> <li>c. 200 – 300.</li> </ol>
3.	<p>For the reporting lines, ‘On a day-to-day basis’ means that the firm needs to share project process with GCF on daily basis? (i.e. via email/call)</p>	<p>Daily reporting is not required. The statement meant to indicate who to contact whenever there is an issue during the assignment</p>
4.	<p>For the staffing schedule table, do you expect it to be indicated in colors for you to count number of weeks?</p>	<p>Yes, staff inputs shall be indicated in colors in the provided chart.</p>
5.	<p>Can you confirm the current:</p> <ul style="list-style-type: none"> <li>• Plan is Defined Contribution (DC) or Defined Benefit (DB)?</li> <li>• Plan Assets (approx.)</li> <li>• Plan domicile location (eg Internal Trust, Guernsey, Jersey)</li> </ul>	<p>We have a defined contribution scheme</p> <ul style="list-style-type: none"> <li>• Plan assets (Estimated at USD 30 million but expected to grow by about USD 6m each year).</li> <li>• Plan domicile is Luxembourg.</li> <li>• Staff in Songdo are 230 as at end of December 2020.</li> </ul>

	<ul style="list-style-type: none"> <li>Plan Membership numbers split Actives, Deferreds and Pensioners</li> <li>How many staff employees are based in Songdo, Incheon City (HQ)?</li> <li>How many staff employees are based outside of HQ?</li> <li>Plan Provider (if DC) or service Providers (if DB)</li> <li>If DC, how many investment fund choices are being offered?</li> </ul>	<ul style="list-style-type: none"> <li>No staff are based outside HQ but a few are working from different geographical location than Songdo.</li> <li>It's a defined contribution plan. Current plan provider details will be shared with the winning bidder.</li> <li>About 10 investment fund choices are offered.</li> </ul>
6.	What are the key drivers for the need to change the current Plan given this will have been set up only recently?	Current provider has given notice of termination of agreement
7.	Does the GCF have special tax and legal privileges that you will want to maintain by the design of the new Plan?	GCF is exempt from all taxes in the Republic of Korea. There are also several countries where privileges and immunities could include tax exemption.
8.	Looking forward and given the size of GCF (by employee numbers) is DC the preferred future structure?	230 as at December 2020
9.	Can you provide any indicators of expected budget for this project?	Bidder expected to quote based on their understanding and estimation of effort required to complete the task.
10.	Are you able to let us know how many suppliers you have invited to this RFP?	It is a public RFP hence any qualified vendor can bid from anywhere in the World
11.	We note the RFP suggests the project should be completed within 8 months as you have a timeline to transition to a new provider by end of 2021. It would be helpful to know what is driving this timeline and if there is any flexibility on this? In our experience, a full plan re-design, provider RFP and transition to the new provider may take longer than your target timeline.	Our current provider has given us a 1-year notice commencing mid-December 2020. We are targeting to transition before November 2021 to provide for any delays or challenges.

Kind regards

Green Climate Fund