



REQUEST FOR PROPOSAL (RFP)

TO INTERESTED SUPPLIERS	DATE: August 3, 2018
	REFERENCE: UNDP-BMS-OFRM-RFP-009

Dear Sir / Madam:

We kindly request you to submit your **Provision of Assets Liability Study for ASHI Funds**.

Your Proposal must be expressed in English, and valid for a minimum period of 120 days.

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

The Technical Proposal and Financial Proposal files **MUST BE COMPLETELY SEPARATE** and sent separately and clearly named as either "TECHNICAL PROPOSAL" or "FINANCIAL PROPOSAL", as appropriate. Each document shall include the Proposer's name and address.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty-five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

A handwritten signature in blue ink is located in the bottom right corner of the page.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions indicated herein. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP in this link: <http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html>

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link: <http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/>

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link : http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Raul Espinosa', is positioned above the printed name and title.

Raul Espinosa
Central Procurement Unit
UNDP

Description of Requirements

Context of the Requirement	Provision of Assets Liability Study for ASHI Funds
Implementing Partner of UNDP	N/A
Brief Description of the Required Services ¹	Please refer to Annex I
List and Description of Expected Outputs to be Delivered	The service provider will produce a report and make a presentation to senior officials of the results and recommendations of the asset liability study.
Person to Supervise	UNDP Treasury Division
Frequency of Reporting	One-time
Progress Reporting Requirements	As and when required
Location of work	Meetings and Presentations to be held at UNDP New York Office
Expected duration of work	An initial Long-Term Agreement (LTA) will be issued for a period of one year and may be extended annually for an additional three years by mutual agreement of the parties and subject to satisfactory performance of the Contractor.
Target start date	01 October 2018
Latest completion date	14 December 2018
Travels Expected	<p>It is anticipated that the Contractor will need to arrange for travel to UNDP HQ for the following:</p> <ul style="list-style-type: none"> • Initial implementation planning meeting • Update/Draft report meeting prior to report finalization • Final report presentation to UNDP senior officials
Special Security Requirements	N/A
Facilities to be Provided by UNDP	N/A
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Not Required

¹ A detailed TOR may be attached if the information listed in this Annex is not sufficient to fully describe the nature of the work and other details of the requirements.

Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required <i>CVs and copies of certificates for at least three key staff that will be engaged on the Contract meeting the qualifications and experiences indicated in the TORs (Annex 3) should be submitted with the proposal. The CVs should clearly indicate the qualifications, experience and relevant previous projects undertaken by the staff.</i>
Currency of Proposal	<input checked="" type="checkbox"/> United States Dollars
Value Added Tax on Price Proposal ²	<input checked="" type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes
Validity Period of Proposals (Counting for the last day of submission of quotes)	<input checked="" type="checkbox"/> 120 days In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.
Partial Quotes	<input checked="" type="checkbox"/> Not permitted
Payment Terms	Upon completion of work
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	UNDP Treasurer
Criteria for Contract Award	<input checked="" type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) <input checked="" type="checkbox"/> Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criterion and cannot be deleted regardless of the nature of services required. Non- acceptance of the GTC may be grounds for the rejection of the Proposal.
Criteria for the Assessment of Proposal	<u>Technical Proposal (70%)</u> <input checked="" type="checkbox"/> Expertise of the Firm 21% <input checked="" type="checkbox"/> Methodology, Its Appropriateness to the Condition and Timeliness of the Implementation Plan 35% <input checked="" type="checkbox"/> Management Structure and Qualification of Key Personnel 14% <u>Financial Proposal (30%)</u> To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.

² VAT exemption status varies from one country to another. Pls. check whatever is applicable to the UNDP CO/BU requiring the service.

UNDP will award the contract to:	<input checked="" type="checkbox"/> One and only one Service Provider
Type of Contract to be Signed	<input checked="" type="checkbox"/> Contract Face Sheet (Goods and-or Services) - Professional Services Contract
Contract General Terms and Conditions ³	<input checked="" type="checkbox"/> General Terms and Conditions for contracts (goods and/or services) Applicable Terms and Conditions are available at: http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html
Annexes to this RFP ⁴	<input checked="" type="checkbox"/> Detailed TOR (Annex I) <input checked="" type="checkbox"/> Form for Submission of Proposal (Annex II)
Contact Person for Inquiries (Written inquiries only) ⁵	<p>Lailuma Shirzad Central Procurement Unit <i>cpu.bids@undp.org</i></p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.</p>

³ Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

⁴ Where the information is available in the web, a URL for the information may simply be provided.

⁵ This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

TECHNICAL EVALUATION CRITERIA

Summary of Technical Proposal Evaluation Forms		Points Obtainable
1.	Expertise of Firm	210
2.	Proposed Methodology	350
3.	Management Structure and Qualification of Key Personnel	140
Total		700

Form 1

Technical Proposal Evaluation		Points obtainable
Expertise of Firm		
1.1	Reputation of Organization and Staff / Credibility / Reliability / Industry Standing as well as Legal Standing of the Offeror (Litigation and Arbitration History)	35
1.2	General Organizational Capability which is likely to affect implementation <ul style="list-style-type: none"> - Financial stability - loose consortium, holding company or one firm age/size of the firm 	35
1.3	Time required to start and complete the project	20
1.4	Relevance of: <ul style="list-style-type: none"> - Specialized Knowledge - Experience on Similar Programme / Projects - Modeling capabilities 	120
TOTAL 1		210

Form 2

Technical Proposal Evaluation		Points Obtainable
Proposed Methodology, Approach and Implementation Plan		
2.1	Technical proposal addresses TOR Scope of work with sufficient detail and appropriate to the overall terms of reference	150
2.2	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	100
2.3	The referenced examples indicate clear understanding of the task	50
2.4	Relevant differentiating factors - value added to the project	50
TOTAL 2		350

Form 3

Technical Proposal Evaluation		Points Obtainable
Management Structure and Key Personnel*		
3.1	Composition of the team to be assigned to UNDP	55
3.2	Qualifications & background of personnel to be assigned to UNDP	60
3.3	Staff time and work allocation	25
TOTAL 3		140

* For evaluation purposes, if more than one CV is provided for a particular personnel type, the average score of CVs will be used.

ANNEX I

Terms of Reference (TOR)

A. Project Title

Provision of Assets Liability Study for ASHI Funds.

B. Project Description

United Nations Development Programme (UNDP) was established in 1965 by the General Assembly of the United Nations. UNDP partners with entities and people at all levels of society to help build nations that can withstand crisis and drive and sustain growth that improves the quality of life for everyone. UNDP has its headquarters in New York City, but works primarily through its offices in more than 177 countries.

The UNDP Treasury Division is located at UNDP headquarters and is the function within the UNDP Office of Financial Resources Management that provides services to the organization in the areas of cash management, accounts receivable management, investments and foreign exchange management.

More information about UNDP can be obtained from the UNDP webpage (<http://www.undp.org>).

UNDP is seeking a consultant to perform an asset liability study on its after-service health insurance (ASHI) strategy. ASHI funds are set aside to cover long-term employee benefit liabilities related to after service medical plans. Currently, the investment of ASHI funds has been outsourced to two external investment managers. The outsourcing began in April 2016 and concluded in April 2018. The funds are invested in multi-asset class portfolios. UNDP has approximately 8,000 active staff. There are 3,494 retirees enrolled in the ASHI insurance plans.

More information about ASHI can be obtained from UNDP 2016 financial statements. Please refer to **Note 22: Employee Benefits** beginning on Page 144. The link is:

https://www.undp.org/content/dam/undp/library/corporate/Transparency/UNDP_Audited_Financial_Statements_2016.pdf?download

C. Scope of Work

UNDP requires technical expertise for the completion of an asset liability management study. The key area of focus for the study is to assess and make recommendations on optimal funding strategies. The scope does not include a review of tactical decisions related to investment management (e.g., use of external managers or management style) nor recommendations for reducing future ASHI costs.

The study should include the following:

- Highlight key asset and liability risks to consider
- Assess UNDP's risk tolerance and establish a cohesive risk management framework
- Recommend customized risk measures based on UNDP's risk budget, plan design and time horizon for achieving the appropriate level of funding given the actuarial valuation of liabilities
- Design an appropriate strategic investment strategy and investment guidelines
- Analyze diversification benefits from alternative asset classes
- Provide insight into current market conditions and suggest risk management strategies

D. Expected Outputs

The main deliverable will be the final report and presentation to senior officials in the Office of Financial Resources Management. The report will include, but is not limited to, the results and recommendations of the asset liability study. The report is expected to be completed within six to eight weeks after work commences.

E. Institutional Arrangement

The UNDP Treasurer will supervise the contractor. UNDP Treasury will provide the contractor with the necessary supporting documents in order to conduct the asset liability study. The contractor will contact UNDP Treasury for any additional needs.

F. Duration of Work

Work is expected to begin immediately upon signing of the contract. The project is expected to be completed within **six to eight weeks**.

G. Duty Station

Contractor's location(s)

H. Qualifications of the Successful Contractor

1. Firm with proven track record of performing asset liability studies of a similar nature to UNDP's request.

(At least 6 past projects involving clients with over 1,000 employees; at least 3 projects which also recognized relevant IPSAS/or IFRS equivalent standards to demonstrate the capability to conduct asset liability studies in line with UNDP's financial reporting requirements)
2. Firm with international consulting experience with respect to client relationships & scope of previous projects.
3. Firm with the ability to provide adequate personnel with suitable experience in and knowledge of asset liability management
4. Firm with the ability to perform all the tasks listed in the Scope of Work.

ANNEX II

FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL⁶

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery⁷)

[insert: Location].

[insert: Date]

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated [specify date] , and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions:

A. Qualifications of the Service Provider

The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following:

- a) Profile (should not exceed fifteen (15) pages) - describing the nature of business, field of expertise, licenses, certifications, accreditations;*
- b) Latest Audited Financial Statement - income statement and balance sheet to indicate its financial stability, liquidity, credit standing, and market reputation, etc.;*
- c) Track Record – description of at least 6 past projects of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, sample asset liability study reports, and contact references, at least 3 of the projects must also have involved the relevant IPSAS or IFRS equivalent standards to demonstrate the capability to conduct asset liability studies in accordance with UNDP's financial reporting requirements;*
- d) Description of modeling capabilities and systems to be used in conducting the asset liability study;*
- e) Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.*
- f) All information regarding any past and current litigation during the last five (5) years in which the bidder is involved, indicating the parties concerned, the subject of the litigation, the amounts involved, and the final resolution if already concluded.*

B. Proposed Methodology for the Completion of Services

The Service Provider must describe how it will address/deliver the demands of the RFP by indicating the following:

- a) Please provide a detailed description of the methodology for how the organization/firm will complete the Scope of Work listed in the TOR;*
- b) Please provide details of the internal technical and quality assurance mechanisms that will be put in place;*
- c) Please submit a Project Schedule indicating the detailed sequence of activities that will be undertaken and their corresponding timing;*
- d) Please describe the potential risks for the implementation of this project that may impact achievement and timely completion of the expected results as well as their quality. This should include disclosure of any potential conflicts of interests. Describe the measures that will be put in place to mitigate these risks.*

⁶ This serves as a guide to the Service Provider in preparing the Proposal.

⁷ Official Letterhead/Stationery must indicate contact details - addresses, email, phone and fax numbers – for verification purposes

C. Qualifications of Key Personnel

The Service Provider must provide:

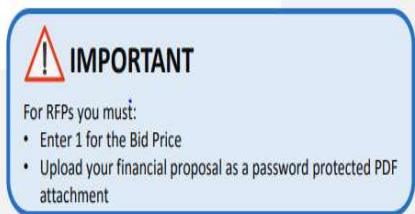
- a) *Description of the overall management approach toward planning and implementing this project. Include an organization chart for the management of the project describing the relationship of key positions and designations;*
- b) *Please provide a spreadsheet to show the activities of each staff member and the time allocated for his/her involvement. (Note: this spreadsheet is crucial, and no substitution of personnel will be tolerated once the contract has been awarded except in extreme circumstances and with the written approval of UNDP. If substitution is unavoidable it will be with a person who, in the opinion of the UNDP project manager, is at least as experienced as the person being replaced, and subject to the approval of UNDP. No increase in costs will be considered as a result of any substitution.);*
- c) *Please provide CVs for key personnel that will be provided to support the implementation for this project. CVs should demonstrate qualifications in areas relevant to the Scope of Work detailed in the TOR.*

D. Cost Breakdown per Deliverable

SN	Deliverables <i>[list them as referred to in the TOR]</i>	Price (Lump Sum, All Inclusive)
1	Final report & presentation to senior OFRM officials	
	Total Cost	USD

E. Cost Breakdown by Cost Component *[This is only an Example]:*

Description of Activity	Remuneration per Unit of Time	Total Period of Engagement	No. of Personnel	Total Rate
I. Personnel Services				
1. Services from Home Office				
a. Expertise 1				
b. Expertise 2				
2. Services from Field Offices				
a. Expertise 1				
b. Expertise 2				
3. Services from Overseas				
a. Expertise 1				
b. Expertise 2				
II. Out of Pocket Expenses				
1. Travel Costs				
2. Daily Allowance				
3. Communications				
4. Reproduction				
5. Equipment Lease				
6. Others				
III. Other Related Costs				



[Name and Signature of the Service Provider's Authorized Person]
[Designation]
[Date]