Request to Submit Proposals for
MRPS Investments Consultancy

1. Background

The Maldives Pension Administration Office (Pension Office) was established as an independent institution under Maldives Pension Act (Law No: 8/2009) and is responsible for administering the Maldives Retirement Pension Scheme (MRPS) and other benefit schemes incorporated under the Act.

The MRPS is a Defined Contributory (DC) pension scheme, where both employer and employee jointly contribute 14% of pensionable wage as monthly pension contribution to MRPS.

The pension contributions are invested in asset classes specified in Article 16 of the Act and members are assigned individual accounts. The returns on investments along with the contributions net of fees are accumulated until the member reaches the retirement age of 65. The distributions from the scheme take place when the member reaches the retirement age. All investments are currently made in domestic markets in accordance with the Statement of Investment Principles (SOIP) approved by the Pension Office Board. Below is the summary of current MRPS investments.

Asset Classes	**Market Value (MVR, millions)**	**% of Composition**
Treasury Bills	8,637	64%
Treasury Bonds	3,368	25%
Corporate Bonds	113	1%
Fixed Deposits	298	2%
General Investments	269	2%
Sukuk	358	3%
Equity	558	4%
Total Assets Under Management	13,600	100%

As at 31 December 2021

2. Objective

Pension Office is seeking an Individual Consultant

1. To develop and implement asset allocation strategies for the Pension Assets
2. Develop the in-house Investment/Finance Function including upskilling of the internal investment team on risk management and performance evaluation

3. Scope of Work

Analyze the current investment approaches and practices, recommend asset allocation strategy, risk assessment and performance evaluation framework and propose an implementation plan.

4. Major Tasks, Deliverables & Timeframe

4.1. **Task 1**: Conduct a review of investment policy and strategy at Pension Office, domestic investment opportunities, legal and regulatory constraints and internal institution level operational constraints.

Deliverable 1: Inception Report – a concise snapshot on the investment policy and strategy of Pension Office, legal and regulatory as well as internal institutional level operational constraints to implement an optimal asset allocation strategy.

4.2. **Task 2**: Conduct a review of current market opportunities across different asset classes and industries within and outside of the remit of Pension Act.

Deliverable 2: Opportunity Set – The proposal should identify the opportunity set within and outside of the Pension Act, expected returns and risk profiles of assets classes available locally.

4.3. **Task 3**: Through a consultative approach with participation from external stakeholders, propose an suitable investment policy taking into consideration the member profile of MRPS and formulate 'Statement of Investment Principles' and "Investment Policy Statement"

Deliverable 3: Investment Policy Statement and Statement of Investment Principles

4.4. **Task 4**: Review the investment processes of the internal investment function, identifying gaps for implementing the proposed strategies. The consultant is expected to produce an implementation plan which includes ways to address these gaps over a long-term horizon.

Deliverable 4: Implementation Plan - Provide details of the implementation strategy, gaps in existing functions, strategies and procedures to bridge the gaps, challenges to effective implementation and ways to mitigate them, it must also consist of a timeline for the implementation of the strategies.

4.5. **Task 5**: Evaluate current investment evaluation processes including due diligence and risk management frameworks. The consultant is expected to work with the internal investment team to develop due diligence frameworks for evaluating investments proposed in the diversification plan and produce a risk assessment framework for monitoring risks of these investments.

Deliverable 5: Due diligence and Risk management framework - Provide due diligence and risk management frameworks for options identified in Deliverable 2.

5. Duration, Fee and Payment Terms

5.1. The consultancy shall be for a four-month period with the option for extension or renewal to support additional deliverables.

5.2. The Consultant shall submit a financial offer with a proposed work plan specifying timelines for achieving each deliverable and the number of onsite and offsite working days proposed. The consultant shall quote a per day onsite rate and offsite rate separately along with the work plan.

5.3. Proportionate payments will be made as per the contract after each of the following deliverables are submitted, subject to approval of the deliverables by the Pension Office.

Deliverables	No. of Working Days	Payment Percentage
Deliverable 1: Inception Report	10	05%
Deliverable 2: Opportunity Set	20	30%
Deliverable 3: Investment Policy Statement and Statement of Investment Principles	10	10%
Deliverable 4: Implementation Plan	10	25%
Deliverable 5: Due diligence and Risk management framework and capacity building	30	30%
TOTAL	**80**	**100%**

5.4. Once the contract is signed, the fee will not be revised even if the number of working days increases for completing the deliverables.

6. Experience and Qualifications of the Consultant

6.1. **Education:** Postgraduate level qualifications in Finance, Economics, Investments, Fund Management or having equivalent professional qualifications such as Chartered Financial Analyst (CFA).

6.2. **Experience:** At least 10 years or more progressively professional work experience relevant to Investment and Portfolio Management. Background/familiarity in Pension or similar investment funds is an asset.

7. Evaluation Criteria

7.1. Applicants will be scored based on the following evaluation criteria:

- Competency Evaluation (Weight: 70%)
- Financial Offer (Weight: 30%)

7.2. Applicants who receive less than 50% from the competency criteria will not be considered for further evaluation.

8. Reporting and Delivery of Services

8.1. The selected Consultant is expected to follow the consultancy project plan and deliver the outputs in the timeframe proposed by the Pension Office.

8.2. To carry out the tasks, the Consultant is expected to work both onsite and offsite and submit reports and documents at the end of each deliverable as agreed by the Pension Office and the consultant.

8.3. Pension Office will appoint an internal liaison who will ensure all necessary support and resources are provided to the Consultant for the timely completion of the assignment.

9. Application

9.1. Interested individual Consultants must submit the following documents/information:

9.1.1. Detailed CV of the Consultant which states the qualification, expertise and experience.
9.1.2. Reference to support the expertise and experience.
9.1.3. References to reports produced for similar projects in the past.
9.1.4. Financial offer with total price in USD/MVR (inclusive of all applicable taxes and other expenses).

9.2. Deadline for submission of the application is **21 April 2022 before 1200 hrs**.

9.3. Application can be send via email to 'info@pension.gov.mv' or submitted to the following address:

Maldives Pension Administration Office
Allied Building
Chaandhanee Magu
Male', Maldives', 20156