



RFLAUN

Retirement Fund for Local Authorities
and Utility Services in Namibia

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TENDER

TENDER INVITATION

Invitation to Tender for Actuarial Services for The Retirement Fund for Local Authorities and Utility Services in Namibia

Tender No. 03/2023

Closing Date and Time: 15 August 2023, 16h30

PARTICULARS OF TENDERER

Business Name:

Postal Address:

Telephone No.:

Fax No. :

Contact Person:

VAT Registration No:

Are there any covering letters inclusive? "Yes" or "No": _____

INFORMATION TO THE TENDERER

Tender technical and financial proposals should be submitted in a sealed envelope. The envelope should be marked "INVITATION TO TENDER FOR ACTUARIAL SERVICES FOR THE RETIREMENT FUND FOR LOCAL AUTHORITIES AND UTILITY SERVICES IN NAMIBIA TENDER NO. 03/2023" must be delivered unopened and deposited in the Tender Box at 1 DELIUS Street, Windhoek west, Windhoek not later than the closing time. The name and the full address of the tenderer should appear on the outside of the envelope.

D J Amwaandangi
PRINCIPAL OFFICER

PART 1

1. TENDER DOCUMENTS

- 1.1. One set of documents comprising details as set out therein, shall be made available as advertised.
- 1.2. It is the tenderer's responsibility to check completeness of documents including number of pages.

2. COST OF TENDERING

- 2.1. The cost of tendering is the tenderer's responsibility. A tender levy fee of N\$ 200.00 (non-refundable) is applicable.

3. LODGING AND OPENING OF TENDERS

- 3.1. The entire set of tender documents shall be sealed in an envelope marked with the tender number and title and handed in at the time, place and date as advertised including strict compliance with the following:

- 3.1.1. The original tender shall be duly completed and priced in an undeletable medium with all alterations initialled next to it (erasing fluid is prohibited).

- 3.1.2. Each page shall be initialled.

- 3.2. Tenders not completed in **all respects** may be disqualified at the sole discretion of the Board of Trustees. Tenderers' attention is drawn in particular to the detailed completion of Part 2 of this tender submission.

- 3.3. Telegraphic and facsimile tenders are not acceptable and will be disqualified.

4. COMPLIANCE AND ALTERNATIVES

- 4.1. Tenders submitted must comply strictly with the requirements of these documents.

- 4.2. Alternative offers may be submitted, but only **in addition** to the tender requirements.

5. VALIDITY AND ACCEPTANCE

- 5.1. Tenders to remain valid for acceptance after date of closing of tender for a period of 90 days.
- 5.2. The Board of Trustees of RFLAUN does not bind itself to accept the lowest or any other tender.

6. CONFIDENTIALITY & COPYRIGHT

- 6.1. Tender documents issued by or on behalf of the Board of Trustees of RFLAUN shall remain copyright of RFLAUN.
- 6.2. Tenderers shall treat all aspects pertaining to this tender as confidential and shall not disclose details to third parties except for bona fide tendering purposes.

7. DEFAULTS

- 7.1. A tenderer withdrawing his/her tender within the period of validity after date of closing of tender or failing to enter into a contract within 30 days when called upon will forfeit his/her chance to provide the service to RFLAUN.
- 7.2. The Board of Trustees reserves its rights to take legal steps against a defaulting tenderer for any losses suffered under 7.1 above.

8. ENQUIRIES

- 8.1. All enquiries in connection with this tender shall be directed in writing (fax or e-mail) to the contact person(s) as advertised with a cut-off date of two calendar days before date of closing of tender.
- 8.2. Any verbal information given or perceived to have been given shall not be binding on RFLAUN.

10. TENDER CONDITIONS

- 9.1 Tender applicants will be required to familiarize themselves with the Rules of the Fund as the basis of the specific requirements. A set of such rules is available on RFLAUN website. Tenders that are not meeting the minimum specifications as contemplated may be disqualified;

- 9.2 The Trustees or their authorized representatives, reserve the right to discuss suppliers' tender/offer with them at any stage after closure of the tender or to enter into post –tender consultations/negotiations at their sole discretion.
- 9.3 The Trustees or the Fund do not bind themselves to accept the lowest or any offer submitted, nor will they provide any reason for failure to do so and will not be held liable for any expenses incurred by any party in the preparation of this tender;
- 9.4 The Trustees or the Fund accept/s no responsibility for tenders not reaching the specific office before the closing date and time and late tenders will not be considered;
- 9.5 Tenders must be signed by an authorized official, who warrants his authority to do so;
- 9.6 The decision of the Trustees regarding the appointment of a successful tenderer will be final and subject to the successful conclusion of a service level agreement between the respective parties;
- 9.7 The Trustees reserve the right to request companies that are tendering to arrange for a personal presentation, at their own expense, of the services offered as contemplated herein;

11. THE RETIREMENT FUND FOR LOCAL AUTHORITIES AND UTILITY SERVICES IN NAMIBIA (RFLAUN)

10.1 BACKGROUND

The Retirement Fund for Local Authorities and Utility Services in Namibia was established in 1992. It is a defined Contribution Fund. The fund has been registered in terms of the Pension Funds Act no. 24, of 1956.

The Fund is managed by a Board of Trustees, which has equal representation between employer and the members.

10.2 PRESENT STATISTICAL DATA

Monthly contribution;	Employer:	18 856 319
	Members:	10 205 512
TOTAL:		29 061 831

Number of Members	4 658
Average age (years)	43.5
Pensionable Salaries per annum (N\$)	1 107 913 000
Average Salary (N\$)	231 297
Number of Pensioners	1 748

10.3. FUND INVESTMENTS:

Total assets under management N\$ **N\$ 6 786 484 507**

11. FUND OBJECTIVE

11.1 The objective of the fund is to provide retirement benefits for employees and former employees of the employers in the event of death or being declared disabled. To achieve the aforementioned the Board of Trustees strives to optimize the investment return on the Fund's assets with due consideration taken on the level of risk incurred in obtaining these returns.

The Board of Trustees accepts that they have –

- A duty to comply with statutory requirements relating to Retirement Funds
- A duty to maximize returns within acceptable risk parameters;
- A fiduciary duty to document the investment strategy;
- A duty to protect the interest of the members;
- A duty to provide adequate member communication
- A duty to meet members expectation
- A duty to monitor the investment performance of the Fund;

In achieving the abovementioned, the Board of Trustees aim to conduct the affairs of the Fund in a transparent and accountable manner.

12. DOCUMENTS TO BE ATTACHED

12.1. Copy of the certificate of registration both NAMFISA and Company Act.

- 12.2. Documentary evidence regarding training programmes, affirmative action programmes or activities benefiting Namibian citizens from previous disadvantaged groups and people living with disabilities.
- 12.3. Certificate of Good Standing from the Social Security Commission of Namibia (for local suppliers only)
- 12.4. Certificate of Good Standing from the Inland Revenue of Namibia (for local suppliers only)
- 12.5. Affirmative Action Certificate from the Ministry of Labour's Employment Equity Commission (for local suppliers only)
- 12.6. Proof of Fidelity insurance cover

13. PARTICULARS OF TENDERER

- 13.1. Name of Company and Namibian Registration number;
- 13.2. Date of incorporation in Namibia;
- 13.3. Physical Street Address, contact details and contact person;
- 13.4. Name(s) and details of Directors/shareholders;
- 13.5. Names of Directors who are Namibian citizens;
- 13.6. Total number of Employees;

PART 2

14. SPECIFIC REQUIREMENTS APPLICABLE TO TENDER APPLICATIONS

Please provide the following information about your Company:

14.1. Involvement in Namibia

- 14.1.1. Total share capital
- 14.1.2. Share Capital held by Namibian citizens
- 14.2.3. Number of actuarial staff resident in Namibia;
- 14.1.4. Number of actuarial staffs who are Namibian citizens;
- 14.1.5. Number of actuarial staff elsewhere who are dedicated to provide services in Namibia;

- 14.1.6. Date since when you are providing actuarial services in Namibia;
- 14.1.7. Access to Regional and International Associates in assisting/providing the actuarial services;
- 14.1.8. Nature and successes of any programme/advancement opportunities for Namibians in your company with special reference to compliance with AA legislation;
- 14.1.9. Name(s), qualifications, experience and domicile of designated actuary(s)/valuator(s);
- 14.1.10. Names of five retirement funds in Namibia making use of your actuarial services;

15. SERVICES

15.1. Process

Describe the process that you follow in structuring, implementing and monitoring the risk that:

- 15.1.1 Meet the Retirement Fund members' benefit expectations.
- 15.1.2 Fulfill the Trustees fiduciary responsibilities.
- 15.1.3 Align insurance premiums with affordability.
- 15.1.4 Add value to the Fund.
- 15.1.5 Provide cost competitive strategies to your clients.
- 15.1.6 Determine actuarial methodology you will apply to advise member if the retirement saving is adequate to achieve the Fund's replacement ratio.

16. TERMS OF REFERENCE

16.1. The actuarial consultant should be able to provide the Fund with the following services;

- 16.1.1. Statutory Actuarial valuations at 3 yearly intervals.
- 16.1.2. Annual interim actuarial reviews.
- 16.1.3. Recommendation on pension increases (annual and special).

- 16.1.4. Calculation of individual member benefits as and when required.
- 16.1.5. Attendance of a maximum of four Trustee meetings per annum and any other sub-committee meetings when required.
- 16.1.6. Advice on additional interest's allocation to member on ad-hock basis.
- 16.1.7. Investigations and advice on the risk exposure of the Fund.
- 16.1.8. Submission and discussion of all actuarial report with the Board.
- 16.1.9. Forwarding relevant documentation to NAMFISA after acceptance by the Board.
- 16.1.10. Perform any other actuarial service that may be specified in the rules of the Fund.
- 16.1.11. Provision of additional actuarial services that the Fund may require, for which a fee will be negotiated with the Trustees in advance.
- 16.1.12. Assessment of the financial impact on any proposed benefit changes.
- 16.1.13. Issuing of certificates in terms of Section 14 (1) (e) of the Pension Fund Act.
- 16.1.14. Advise that the Fund Assets/ Investments appropriately match the nature and term of the Fund's liabilities.
- 16.1.15. Certification of Rules and Amendments for financial soundness.
- 16.1.16. Provision of consultancy services in addition to purely actuarial services, which entail assistance, support and advice on all non-actuarial matters such as;
 - advise Trustees on market trends and appropriate benefit structures
 - provide guidance to Trustees
- 16.1.17. Advise on the impact and mitigation of Epidemic and Dread Diseases.
- 16.1.19. Advise on pension conversion factors.

16.2 The following factors will be taken into account by the Board during selection

- 16.2.1 Suitability and experience;
- 16.2.2 Credit worthiness ratings (if applicable);
- 16.2.3 Employment policies and practices of the service provider;
- 16.2.4 Service provider's fidelity and professional indemnity insurance;
- 16.2.5 Market reputation;
- 16.2.6 Fees, payment of commissions, etc;

16.2.7 Issues of independence;

16.2.8 Requirements of the Financial Sector Charter

17. FEES

Please provide a full breakdown of your fees and basis of calculation of the services.