



## EMPLOYEES' OLD AGE BENEFITS INSTITUTION

General Administration Department, EOBI, Head Office, Karachi.

190/1/B, Block-2, PECHS - Karachi

Ref: No. EOBI/HO/Actuarial.Firm/GAD/2024/216  
Dated: 12.06.2024.

Mr. Rizwan Mehmood  
Director (MIS)  
Public Procurement Regulatory Authority  
1<sup>st</sup> Floor, FBC Building  
Near State Bank, G-5/2,  
Islamabad

Subject: Uploading of Advertisement – Tender Notice Procurement of Actuarial Firm for Actuarial Valuation of EOBI Assets & Liabilities as on 30.06.2024.

Kindly refer to this office letter No. EOBI/HO/Actuarial.Firm/GAD/2024/216 dated 07.06.2024, on the above noted subject, and to request the we are also enclosing herewith RFP, which may Kindly be uploaded on the PPRA website, accordingly.

Your cooperation in this regard, will highly be appreciated, please.

  
( Qadeer Ahmed )  
Assistant Director (GAD)

Copy to:

1. The Director (Coordination) Chairman Secretariat.
2. The Director (GAD).
3. The Director Support (IT), EOBI, Head Office, along with copy of RFP on the subject matter for uploading at EOBI website.
4. Concerned File
5. Master file.

**I. Instructions to Consultants**

**i. General Provisions:**

- a. Proposals should be addressed to the Director, General Administration, EOBI Head office, 190/1/B, Block-2, PECHS, Karachi.
- b. Bidder should specifically indicate their National Tax Number.
- c. All the pages of Bidding documents and in case having any Erasing/ cutting/ crossing or over writing etc., therein, must be properly signed by the signing person of the bidder by the authorized signatory, who have been given power of attorney on company letter head (be enclosed with bidding documents, if any), along with attested copy of his CNIC.
- d. Offer shall not be considered if:
  - Received without 2% bid security.
  - Received after the time and date fixed for its receipt.
  - Tender is unsigned.
  - Offer is ambiguous.
  - Offer is conditional.
  - The offer is from a firm, which is blacklisted, suspended or removed from the approved list.
- e. No incomplete, supplementary or revised *offer* shall be accepted after opening of the tender.
- f. Canvassing in any form by the Tenderer will lead to summary rejection of his tender.

**List of Documents:**

Bidder shall provide the following documents:

- a. Detail and Profile of the firm showing experience in similar projects (provide list and letters of satisfaction by respective clients)
- b. Start of Business (provide incorporation certificate)
- c. At least 03 Client Testimonials (provide list and letters of satisfaction)
- d. Copy of NTN certificate (attach copy)
- e. Evidence of actuarial services provided to public sector organization/Fund (provide list and letters of satisfaction)
- f. Profile of Staff to be Deployed including their qualification & experience (attach CV's).
- g. Evidence of the membership of the relevant Actuary Society/body (attach

copy)

- h. Affidavit on Rs.100/- stamp paper to the *effect* that the firm or individual is not blacklisted and has no dispute with any Government Organization shall be furnished

## FORM OF BID AND THE BIDDING PROCESS

- a. Bids will be selected in accordance with the Public Procurement Rules 36(b) (PPRA)-2004, as a Single Stage-Two Envelope procedure. The bidding process will be as under:
- b. The bid shall comprise a single package containing two separate envelopes. The envelopes shall be marked as "TECHNICAL PROPOSAL" and "FINANCIAL PROPOSAL" in bold and legible letters;
- c. The envelope No.1 should contain the complete Technical Bid as per format at Annex "B"
- d. The envelope No. 2 will contain only the financial bid and security deposit of 2% of bid price in the form of Demand Draft/ Pay order of any scheduled bank on the name of Employees Old-Age Benefit Institution.
- e. The bidder must quote his price as per format (Annex-C). The rate(s) quoted should be inclusive of all kind of taxes and must be quoted in figure as well as in words.
- f. Both the above-mentioned envelopes should be put in one large envelope, subscribed "This envelope contains two duly sealed envelopes containing Tender Document along with Technical Proposal and Financial Proposal clearly marked so".
- g. In the first stage, only the envelope marked "TECHNICAL PROPOSAL" shall be opened and the envelope marked as "FINANCIAL PROPOSAL" shall be retained without being opened;
- h. The technical proposals of all the bidders shall be evaluated. The proposals which meet all the technical eligibility criteria laid down in this document shall be accepted for the second stage. The proposals which do not meet any of the minimum eligibility criteria laid down in this document shall be rejected;
- i. During technical evaluation no amendments in the technical proposal shall be permitted;
- j. The financial proposals of selected bidders shall be opened publicly at a time, date and venue announced and communicated

to the bidders in advance. The financial proposals of the rejected bidders shall be returned un-opened;

- k. Both the proposals will be evaluated according to the evaluation criteria and the bidder scoring highest points shall be declared as successful and a written Contract *Offer* will be made to the successful bidder.
- l. The amount of the Performance security deposit will be returned to the successful bidder/ contractor after satisfactory completion/ termination of the contract and after adjusting the dues, if any, payable by the contractor to EOBI.
- m. Performance security of 5% of quoted price before signing the agreement. On submission of performance security, the initial deposit of 2% bid security in the form of Pay Order/ Bank draft submitted by the successful bidder will be returned.
- n. The service provider will also sign an undertaking with the fund in which the completion of work will be ensured as per **Annex-A**.

### **III. Terms of Reference**

#### **Introduction:**

The Employees' Old-Age Benefits Act, 1976 is beneficial statute intend to provide security and benefit to the old age employees of the industrial, commercial or other organization cover by it. EOBI provides the Pension benefit to its insured person.

#### **Background and Objective:**

Last Actuarial Assessment of EOBI Assets & Liabilities was made as of 30<sup>th</sup> June, 2022. EOBI wants to engage an Actuarial Firm in order to conduct an Actuarial Assessment of its Assets & Liabilities as on 30<sup>th</sup> June 2024 and also to recommend a suitable Strategy regarding contribution collection and pension benefits. EOBI has 94,609 registered employers and 5,350,000 insured persons approximately.

#### **Scope of Assignment:**

The term of reference for general valuation and funding strategy are:

- Carrying out actuarial valuation to determine the accrued liability of Pension Benefits of EOBI insured persons, using 'Scaled premium method', as at the valuation date;
- Examine the sufficiency of Reserves to meet the future liabilities of EOBI.

- Financial Projections of liabilities for at least 25 to 30 years and if possible, for the entire lives of pensioners.
- Compare the rate of increase in Contribution & Benefits over the past years.
- Sensitivity Analysis of PV of liabilities vis-a-vis key variables e.g. nominal interest rates, inflation, real interest rates etc.
- Review of the current contribution collection Strategies with a focus on current and future contribution Ratios of Pension benefits.
- Recommendations regarding future Contribution Strategies.

The Term of Reference for IAS-19 exercise will be as follows:

- carrying out actuarial valuation, using 'Scaled Premium Method', at the beginning of the financial period (as at 1<sup>st</sup> July, 2024) and determining vested and non-vested benefit obligations;
- Determining Transitional Liability at the beginning of the financial year under IAS-19. Finding out the difference from the previous reported liability (if any) and its recognition as per the standard;
- carrying out actuarial valuation, using 'Scaled Premium Method' method, at the end of the year (as at 30th June 2024);

#### **Responsibilities**

Responsibilities of the firm would be as follows:

1. Actuarial Assessment of Assets & Liabilities as on valuation date.
2. EOBI Assets and Liabilities in line with International Accounting Standard IAS-19.

#### **Deliverables**

1. Deliverables include a single report for EOBI Assets & Liabilities within (4-6 weeks) after getting all data from all relevant departments. Actuarial model and supporting documents will also be required to be submitted within this time.
2. The project must be completed within due time frame. The project must be complete and presented in form of a written report.
3. The draft Report will be reviewed by EOBI. Any shortcoming will be communicated to the party. After addressing concerns final report will be presented.

#### **METHOD OF SELECTION**

- Quality and Cost Based Method of Selection will be used.
- Evaluation criteria for technical and financial evaluations are enclosed. Scores will be allocated based on evidence available in proposal only. The assignment will be awarded to the firm with the highest total score based on following weighted ratios: 70 % of Technical Score 30% of Financial Score.

V. **EVALUATION CRITERIA**

**MINIMUM TECHNICAL ELIGIBILITY CRITERIA**

- 1) Bidder shall provide evidence of providing actuarial services to public sector organizations having a minimum of two thousand employees.
- 2) Bidder shall submit the requisite security as described above.
- 3) The firm must be capable to perform actuarial works as per TOR and other service plan for the Institution.
  - a. be a qualified Actuary i.e. at least an Associate of Society of Actuaries (ASA) or equivalent.
  - b. The firm must have valid current practicing membership of the society
- 4) 5 years overall experience in actuarial practices.

**Note: Any firm not fulfilling the minimum criteria would be technically disqualified and the bid shall be rejected.**

**TECHNICAL EVALUATION**

**Public Sector Experience 25 Marks**

Experience to provide Actuarial Valuation services to Public Sector Organization's in last five years	Total Marks	NO. of Clients	Marks
		01	05
25		02	10
		03	15
		04	20
		05 & Above	25

**TRUST/Pension/GP Fund related Experience 25 Marks**

Experience to provide Actuarial valuation services to Pension Fund Trust in last five Years	Total Marks	NO. of Clients	Marks
		01-05	10
25		06-10	15
		11-14	20
		15 & Above	25

**Human Resource in Firm 25 Marks**

Profile of qualified actuaries in Firm	Total Marks	NO. of staff	Marks
		01-03	10
25		04-06	15
		07 & above	25

**Years of Experience 25 Marks**

Years of Experience of Actuarial Firm	Total Marks	NO. of Years	Marks
		5-10	10
25		11-15	15
		16-20	20
		20 & Above	25

**Note: Minimum 70 marks would be needed by a bidder in order to be evaluated in terms of financial criteria**

**Financial Evaluation Criteria**

The formula for determining the financial scores is the following:  
 $S_f = 100 \times F_m / F$ , in which  $S_f$  is the financial score,  $F_m$  is the lowest price and  $F$  the price of the proposal under consideration.

**VI. Payment Mode**

EOBI shall enter into a lump sum contract with the successful tenderer. 25 % of the contract price will be paid upon submission of initial assessment report, 50% of the contract price will be paid upon submission of final draft report. The remaining 25% of contract price will be paid after satisfactory completion/ termination of the contract and after adjusting the dues, if any, payable by the contractor to EOBI.



CERTIFICATE

1. Proposal duly signed must be furnished along with the following certificate: -
  - i. I/We hereby confirm to have read carefully all the terms & conditions of your Request for Proposal, due for opening on ----- **at 11.30 A.M.** for provision of Actuarial Valuation of EOBI Assets & Liabilities. In addition to the conditions, we also agree to abide by all the special instructions mentioned in tender document. We also hereby categorically confirm that we/I are/am fully capable to provide services of actuary as laid down in the terms of reference.
  - ii. I/We accept that if the required Security Deposit is not furnished or my/our offer is found lacking in any of the requirements of the proposal, it shall be liable to be ignored.

Signature: \_\_\_\_\_

Name & Address of Tenderer \_\_\_\_\_

Designation & ID Card No. \_\_\_\_\_

NTN \_\_\_\_\_ GST No. \_\_\_\_\_

Date: \_\_\_\_\_ Official Seal: \_\_\_\_\_

**I. WITNESS**

Signature: \_\_\_\_\_

Designation & ID Card No. \_\_\_\_\_

**II. WITNESS**

Signature: \_\_\_\_\_

Designation & ID Card No. \_\_\_\_\_

Technical Proposal Submission Form

ANNEX-B

[Location Date]

To:  
Director (GAD),  
EOBI head office,  
Karachi.

Dear Sir,

We, the undersigned, offer to provide the Actuarial Services in accordance with your Request for Proposal dated \_\_\_\_\_ we are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope<sup>1</sup>.

We are submitting our Proposal in association with: *[Insert a list with full name and address of each associated Bidder (if any, otherwise delete this line)]*

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., we undertake to negotiate on the basis of the proposed staff/facilities. Our Proposal is binding upon us and subject to the modifications resulting from Agreement negotiations.

We undertake, if our Proposal is accepted, to initiate the Required services not later than the date indicated in RFP.

We understand you are not bound to accept any Proposal you

receive. We remain,

Yours sincerely,

Authorized Signature *[In full and initials]*: Name and Title of

Signatory: \_\_\_\_\_

Name of Firm:

Address:

**Financial Proposal Submission Form**

BID PRICE PROFORMA- ENVELOPE-2

**BID PROFORMA**

Actuarial Valuation of EOBI Assets & Liabilities.

SR.NO	DETAIL OF SERVICES	RATE (IN DIGIT/ WORDS)
1.	EOBI Assets & Liabilities.	

**Note:** Quoted Rate must be inclusive of all kind of taxes and quoted in figure as well as in words.

Signature of the authorized signatory with seal

Address:

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