



Request for Expression of Interest
REI-SSS-Consulting-2025-001

HIRING OF TWO (2) LOCAL FUND MANAGERS
(Balanced Fund Mandates)

1. The **SOCIAL SECURITY SYSTEM (SSS)**, through the Approved 2025 Corporate Operating Budget under Investment Income-MOOE included in the Annual Procurement Plan (APP) Update for the month of January (1st Update) with Code PAP 2025-0438 of the 2025 APP intends to apply the sum of Nine Million Pesos (P9,000,000.00) for three (3) years inclusive of value-added tax (VAT), and all other expenses incidental to the management of the fund, being the Approved Budget for the Contract (ABC) to payments under the contract for **Hiring of Two (2) Local Fund Managers (Balanced Fund Mandate) to manage an aggregate amount of P3.0-B**, details as follows:

Balanced Fund Mandate

Lot	Managed Fund	ABC per Year	Total ABC	Validity Period
I	P1,500,000,000.00	P1,500,000.00	P4,500,000.00	Three (3) Years
II	P1,500,000,000.00	P1,500,000.00	P4,500,000.00	Three (3) Years

A Local Fund Manager (LFM) that submits a bid for more than one lot of the Balanced Fund Mandate, can only be awarded with one lot. A contract shall be awarded per lot.

Bid is capped at P4.5-M ABC or management fee per LFM for three (3) years inclusive of VAT, and all other expenses incidental to the management of the fund. The Financial Proposal component of the bid expressed as basis points shall be capped at 10.0 basis points representing management fee based on the quarterly average of the daily net asset value of the fund managed not exceeding P4.5-M for three (3) years. Bids received in excess of the ABC shall be automatically rejected at the opening of the financial proposals.

LFM that has an existing contract with SSS for the mandates being bidded out shall no longer be allowed to participate in this bidding process.

Bids received in excess of the ABC per lot shall be automatically rejected at the opening of the financial proposals.

2. The SSS now calls for the submission of eligibility documents for Hiring of Two (2) Local Fund Managers who will manage the Balanced Fund Mandate. Management fee for each Local Fund Manager (LFM) is capped at P4.5-M for three (3) years.

Eligibility documents of interested consultants must be duly received by the BAC Secretariat **on or before 19 February 2025 (Wednesday) not later than 2:00 p.m. at the Bidding Room, 2nd Floor, SSS Main Building, East Avenue, Quezon City**. Applications for eligibility will be evaluated based on a non-discretionary “pass/fail” criterion. Late submission of eligibility documents shall not be accepted.

Only one company representative is allowed to attend the manual opening of Eligibility Documents. Other company representatives may witness the opening of Eligibility Documents through Microsoft Teams. Kindly e-mail us on or before 18 February 2025, through e-mail address bac@sss.gov.ph, the following:

- a. Name of the representative and e-mail address; and
- b. Technical and administrative queries.

3. Interested bidders may obtain further information from the SSS BAC Secretariat and inspect the Bidding Documents at the address given below during Monday to Friday, 8:00 A.M. to 5:00 P.M.
4. **A complete set of Bidding Documents may be acquired by interested Bidders starting 11 February 2025** up to the scheduled submission & receipt of bids from the address stated in the last item of the ITB.

Payment for the Bidding Documents shall be paid by the Shortlisted Consultant’s only, as follows:

Balanced Fund Mandate	ABC	Price of Bid Documents
Lot I	₱4,500,000.00	₱5,000.00
Lot II	₱4,500,000.00	₱5,000.00

The mode of payment will be on a cash basis payable at the SSS Cash Management Department, Ground Floor, SSS Main Building, upon accomplishment of SSS Form R-6. The Bidding Documents shall be received personally by the prospective Bidder or his authorized representative.

It may also be **downloaded free of charge** from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity, provided that Bidders shall pay the applicable fee for the Bidding Documents not later than the **submission of their bids**.

5. The BAC shall draw up the short list of LFMs from those who have submitted Expression of Interest, including the eligibility documents, and have been determined as eligible in accordance with the provisions of Republic Act 9184 (RA 9184), otherwise known as the “Government Procurement Reform Act”, and its Implementing Rules and Regulations (IRR).

The short list shall consist of a maximum of **four (4) prospective bidders for Balanced Fund Mandate**, who will be entitled to submit bids. The criteria and rating system for shortlisting are:

Criteria	Requirement	Maximum Points	Weight
A. Bidders Mandate as Fund Manager	<p>Bidder(s) must be duly registered and authorized by the appropriate agency to perform the functions of a fund manager for at least 5 years as of December 31, 2023.</p> <p>Bidder(s) must provide copy/ies of licenses/certificates issued by BSP or SEC to prove that it is allowed to perform the functions of a fund manager or to engage in trust and other fiduciary business (indicating date when the fund management/trust operation started). The documents submitted should show that the bidder has been performing the fund management function for segregated fund</p>	20	20%

Criteria	Requirement	Maximum Points	Weight						
	<p>for at least five (5) years as of December 31, 2023.</p> <p>Years of experience as fund manager shall be given points as follows:</p> <table><tr><td>Years > 15:</td><td>20 points</td></tr><tr><td>10 > years < 15 years:</td><td>15 points</td></tr><tr><td>5 > years <10 years:</td><td>10 points</td></tr></table> <p>Bidder(s) with less than five (5) years performing the function of a fund manager as of December 31, 2023 shall be disqualified.</p>	Years > 15:	20 points	10 > years < 15 years:	15 points	5 > years <10 years:	10 points		
Years > 15:	20 points								
10 > years < 15 years:	15 points								
5 > years <10 years:	10 points								
B. Qualification of personnel to be assigned to manage the SSS fund	<p>Provide list of personnel to be assigned to SSS fund including investment officers, fund managers, risk officers, dealer, trader, research analysts and other officers or staff involved in managing the fund, except backroom personnel, and submit their curriculum vitae and copies of their current/previous licenses, certificates and awards issued by any private or government entity in relation to their fund management function. Bidder(s) who fail to submit the required documents shall automatically get zero point on this criterion.</p> <p>Minimum of three (3) personnel (consisting of atleast one (1) investment officer, one (1) fund manager and one (1) dealer/trader) with at least five (5) years individual work experience in managing investments and other investment related functions.</p> <p>This refers to key qualifications of the bidder’sfund management team.</p> <p>The Qualification (Q) will be scored as follows:</p> $Q_s = \min \left[\left(\frac{Q_n - Q_{min}}{Q_{max} - Q_{min}} \right) \times 15pts, 15pts \right]$ <p>Where:</p> <p>Qmax = highest cumulative number of years of experience of all personnel to be assigned to SSS</p> <p>Qmin = 15 years</p> <p>Qn = cumulative number of years of experience of all personnel to be assigned to SSS.</p>	15	15%						

Criteria	Requirement	Maximum Points	Weight
	Please refer to Item C #2 of attached Questionnaire		
C. Account Loading Per Personnel (ALP)	<p>This criterion shall be used to consider the bidder's capacity to manage the Bidder's AUM:</p> <p>a) No. of active accounts with at least P100.0-M AUM as of December 31, 2023 (Please refer to Item D.1 Table on Total AUM for Segregated Accounts of attached Questionnaire)</p> <p>b) No. of key personnel in bidder's fund management team (Please refer to Item C #1 of attached Questionnaire)</p> <p>The Q will be scored as follows:</p> <p>$Q = 15 \text{ points} * (\text{Lowest ALP} / \text{Actual ALP})$</p> <p>Where $ALP = a/b$ Lowest ALP = lowest calculated a/b</p>	15	15%
D. Assets Under Management (AUM)	<p>The AUM requirement are as follows:</p> <p>Balanced Fund Mandate:</p> <p>- Bidder(s) must have AUM of at least P10.0-B in balanced fund(s) active as of end- December 2023.</p> <p>OR</p> <p>Bidder(s) must have AUM of at least P3.5-B in pure equity fund(s), and at least P6.5-B in pure fixed income fund(s) active as of end-December 2023.</p> <p>The AUM will be scored as follows:</p> <p>Balanced Fund Mandate:</p> $AUM_{BS} = \min \left[\left(\frac{AUM_B - AUM_{min}}{AUM_{max B} - AUM_{min}} \right) \times 30pts + 15pts, 30pts \right]$ <p>Where:</p> <p>AUM_B = Balanced fund AUM of bidder $AUM_{max B}$ = Highest balanced fund AUM among bidders as of end-December 2023 AUM_{min} = Minimum required AUM or P10-B AUM_{BS} = AUM score of bidder for balanced fund mandate</p>	30	30%

Criteria	Requirement	Maximum Points	Weight
	<p>Bidder(s) who do not meet the required AUM per mandate shall be disqualified.</p> <p>Bidder(s) must accomplish the attached Questionnaire Item D.1 Table on AUM data per mandate.</p> <p>Scoring will be based on the AUM data indicated on the Questionnaire.</p>		
E. Performance Record (PR)	<p>Bidders must meet the minimum required hurdle rate per mandate, which was benchmarked on market return plus a premium</p> <p>Balanced Fund Mandate:</p> <ul style="list-style-type: none"> – Must show a positive average annual yield over the past five (5) years ending 2023 on its balanced fund(s) or a combination of its equity (35% weight) and fixed income fund (65% weight) or if with negative average annual yield over the past five (5) years, should not be lower than 1.419%. <p>Bidder(s) who meet the minimum required hurdle rate per mandate shall be scored as follows:</p> <p>$Q = 20 \text{ points} * \text{Actual RUR} / \text{Highest RUR among all bidders}$</p> <p>Where:</p> <p>Actual Return per Unit of Risk (RUR) = Average Annual Yield / Volatility of Annual Yield in the past 5 years of the bidder being rated</p> <p>Bidder(s) who do not meet the minimum required hurdle rate per mandate shall be disqualified.</p> <p>Bidder(s) must accomplish the attached Questionnaire Item D.2 Table on AUM data per mandate (column on ROI for the year).</p>	20	20%
TOTAL		100	100%

Bidder(s) can get a maximum of 100 points and must obtain the **minimum total score of 70 points** at the shortlisting stage.

The bidder(s) shall meet the passing score in all criteria to be shortlisted. Failure to meet the passing score in any of the criteria will disqualify the bidder. Further, failure to meet the totalscore of at least **70** points will also disqualify the bidder.

6. Bidding will be conducted through open competitive bidding procedures using non- discretionary “pass/fail” criterion as specified in the IRR of RA 9184.

Bidding is restricted to Filipino citizens/sole proprietorships, cooperatives, and partnerships or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines.

7. The SSS shall evaluate bids using the Quality-Cost Based Evaluation (QCBE). The weights to be allocated for the Technical and Financial Proposals are indicated in Clause 25.1 Section III, Bid Data Sheet, Part II of the Bidding Documents. The criteria and rating system for the evaluation of bids as indicated in the Instructions to Bidders are provided in the same Clause 25.3 and 26.2, Section III, Bid Data Sheet, Part II of the Bidding Documents.
8. The contract shall be completed within thirty-six (36) months or three (3) years from receipt of Notice to Proceed. The contract may be extended subject to performance evaluation, approval by the appropriate approving authority and pursuant to the applicable provisions of RA 9184 and its IRR.
9. References to the dates and times shall be based on Philippine Standard time. Should any of the above dates fall on a holiday, the deadline shall be extended to the same time on the immediately succeeding business day in Quezon City.
10. The SSS reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract at any time prior to contract award in accordance with Section 41 of RA9184 and its IRR, without thereby incurring any liability to the affected bidder or bidders.
11. The SSS assumes no obligation to compensate or indemnify parties for any expense or loss that they may incur as a result of their participation in the procurement process, nor does SSS BAC guarantees that an award will be made as a result of this invitation. Furthermore, the SSS reserves the right to waive any defects or formality in the responses to the eligibility requirements and to this invitation and reserves the right to accept the proposal most advantageous to the agency.
12. For further information, please refer to:

Bids & Awards Committee

The Secretariat

2nd Flr., SSS Main Bldg., East Ave., Diliman, Q.C.

Tel # (632) 8922-1070; 8709-7198 local 3424/3425

Email – bac@sss.gov.ph

13. Bidding Documents may be downloaded from PROCUREMENT tab at www.sss.gov.ph starting **11 February 2025**.


**THE CHAIRPERSON
BIDS & AWARDS COMMITTEE**

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