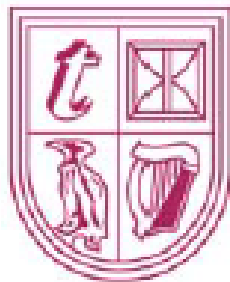


Request for Proposal for an analysis of
Fiscal incentives for retirement savings –
models and redistributive effects



Society of Actuaries in Ireland

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1 Introduction

1.1 Society of Actuaries in Ireland

This Request for Proposal has been prepared by the Society of Actuaries in Ireland (“Society” – www.actuaries.ie), which is the professional body representing the actuarial profession in Ireland.

Actuaries provide advice and relevant solutions for financial, business and societal issues involving uncertain future events. Most of the Society's members work in the financial services industry and the profession has a statutory role relating to the supervision of pension schemes and insurance companies.

1.2 Research study

The Society seeks to make an impartial contribution to public debate on social policy and public interest matters where an actuarial perspective can add value.

In this context, the Society has decided to commission an analysis of the current regime of fiscal incentives for retirement savings in Ireland, along with a comparison with models adopted in other countries. The analysis will include consideration of the redistributive effects of various models. The analysis will also examine possible changes to the current regime.

The Society intends to publicise key findings from this analysis in order to inform debate and public policy decisions in this area. The Society will provide a copy of the analysis to the Irish Fiscal Policy Research Centre.

1.3 Irish Fiscal Policy Research Centre

The Irish Fiscal Policy Research Centre (“IFPRC” – www.publicpolicy.ie) will provide funding for the above-mentioned analysis.

The IFPRC’s purpose is to carry out independent research to inform public policy choices; communicate the results effectively; and stimulate constructive discussion amongst policy makers, civil society and the general public.

The IFPRC is an independent organisation that is fully funded by Atlantic Philanthropies.

1.4 Structure of this Request for Proposal

This document consists of the following sections:

- Section 1 – Introduction (this section);
- Section 2 – Request for Proposal;
- Section 3 – Information on Respondents. This section defines the information to be provided about your organisation, including resource availability and relevant experience;
- Section 4 – Operating structure, costs and contractual agreement. This section requires respondents to provide information on the proposed study, including anticipated costs.

2 Request for Proposal

2.1 Research and Report

This document is a formal invitation to submit proposals for carrying out research and producing a report on the following topic:

“Fiscal incentives for retirement savings - models and redistributive effects

An analysis of fiscal incentivisation of private pension provision across Europe and other relevant countries.”

The report should:

- (i) Summarise the current fiscal incentives for “second pillar pensions”¹ in Ireland;
- (ii) Analyse the relative attractiveness of these incentives to individuals in different tax brackets;
- (iii) Analyse the redistributive effects of the current fiscal regime for pensions (a) ignoring “first pillar” (State-provided) pensions and (b) allowing for “first pillar” pensions;
- (iv) Consider how the above analyses would vary in the event that (a) tax relief on members’ contributions to pension plans was reduced to basic rate tax relief or a composite rate of 33%, (b) the cap on benefits qualifying for fiscal reliefs was reduced to €60,000 per annum or a capital amount of for example €1.5m or (c) a combination of both (a) and (b);
- (v) Provide a clear analysis of how Ireland compares with other (European / worldwide) well established second pillar pension systems, in terms of the key characteristics of (a) the current fiscal incentives model in Ireland and (b) the possible future models identified at (iv) above.

2.2 Evaluation Process

This Request for Proposal (RFP), and responses to it, form part of an evaluation process.

The evaluation process will have regard to some or all of the following inputs:

¹ The “Green Paper on Pensions” published by the Department of Social and Family Affairs in 2007 includes a description of “second pillar pensions”. The Green Paper is available at: <http://www.nationalpensionsframework.ie/downloads/GreenPaper.pdf>.

- Formal responses to this Request for Proposal;
- Presentations about respondents' ability and capacity to carry out this study. We will be interested in domestic and international pension market expertise, with particular emphasis on access to relevant international data and knowledge of alternative incentivisation models for pension provision. We will also be interested in respondents' approach to producing and project managing the study and final report;
- Interviews of, or references from, a selection of clients and/or business partners, in order to understand their experiences of working with and receiving support from respondents.

The Society reserves the right to discontinue the evaluation of proposals received in response to this RFP at any time, to vary the terms of this RFP and to request additional information and/or new proposals from any party or parties.

Responses to RFP

If you decide to respond to this RFP, your proposal should provide as complete a picture as possible of the resources available to you to support the requirements of the study and produce an evidence-based report that can stand up to public scrutiny.

Your response should include *inter alia*:

- A skeleton report setting out how your final report is likely to be structured. This should include proposed headings and a listing of the international models of incentivisation of pension provision that are likely to be discussed in the final report;
- A description of your experience of producing similar reports, whether for publication or otherwise;
- A description of the support that you can offer to the Society in handling media and other queries relating to any part of your report that is publicised by the Society.

Selection Panel and Process

A Selection Panel will be appointed by the Society and the IFPRC to select a provider to carry out the required study. The Selection Panel may short-list a number of possible providers based on responses to this RFP and may interview them before making its final decision.

No person who has, or whose employer has, a financial interest in any proposal submitted may be included on the Selection Panel.

The Society's Secretariat may provide administrative assistance to the Selection Panel.

The Selection Panel will examine all submissions received in response to this RFP. However, receipt of this RFP from the Society by any party, or submission of a proposal to the Society in response to this RFP, shall not impose any obligations on the Society to enter into a contract with any party that submits a proposal.

The details and processing of proposals will remain confidential to the Selection Panel and the Society's Secretariat.

Any contract that may result from this RFP will be governed by the laws of Ireland.

Evaluation criteria

In evaluating a proposal, the Selection Panel will have regard to the respondent's relevant knowledge, including its access to relevant domestic and international pension data/expertise, and its past experience of working on similar public policy issues and studies. The selected provider will be expected to have the ability to:

- Draw on its international pension expertise/data in analysing the characteristics of various models of fiscal incentivisation of pension provision;
- Produce and explain the research and analysis carried out on the specified topic;
- Produce a final evidence-based report on the specified topic in a cost-effective manner;
- Present the research and findings to the Society's Council and/or such persons as the Society may decide;
- Present the study at a Society CPD (Continuing Professional Development) evening meeting (on a date to be agreed) or public seminar (27th September 2012) and/or at an event organised jointly by the Society and the IFPRC;
- Provide support to the Society in handling any and other queries relating to any part of your report that is publicised by the Society.

2.3 Ownership of output

The Society will retain full ownership of any analysis and report commissioned by it further to this RFP. The selected provider of such analysis and/or report may not reproduce any part thereof that is not published by the Society unless the Society has given its permission in writing in advance.

2.4 Steering Group

The Society will establish a Steering Group and the selected provider will be required to liaise with the Steering Group as the project proceeds. The Steering Group will review progress, assess and decide on any suggestions from the provider regarding scope changes, and may request scope changes. The Steering Group will also review the provider's final report, and may review any interim / draft reports, with a view to assessing quality and providing appropriate challenge.

2.5 Instructions to potential respondents to this RFP

Sections 3 and 4 of this RFP seek information from potential providers of the required study. Please answer **all** questions clearly and in the order set out in sections 3 and 4. You may add information on additional topics not specified in this RFP that you believe to be relevant.

To facilitate the production of your response, the Society will, on request, issue a copy of this RFP to you by e-mail, in addition to a hardcopy forwarded by post.

2.6 Queries

Queries about the content of this RFP, and the information required, will be dealt with as quickly as possible.

Any queries, and the Society's responses, may, at the Society's discretion, be made available by e-mail to all individuals and organisations that request a copy of this RFP or otherwise notify us that they intend to submit a proposal (- the source of the query will not be identified). By registering to receive a copy of this RFP, it will be assumed, unless you tell us otherwise, that you or your organisation intends to submit a proposal.

Queries should be submitted, by e-mail (preferably) or by 'phone (between 9.00 am and 5.00 pm), to:

Ms Yvonne Lynch	Ms Tracy Gilbert
Director of Professional Affairs	Actuarial Manager
Society of Actuaries in Ireland	Society of Actuaries in Ireland
Clanwilliam House	Clanwilliam House
Clanwilliam Place	Clanwilliam Place
Dublin 2	Dublin 4
Ireland	Ireland
Phone: +353-1-634 0032	Phone: +353-1-634 0033
Email: Yvonne.Lynch@actuaries.ie	Email: Tracy.Gilbert@actuaries.ie

2.7 Submitting a Proposal

Each proposal should consist of **three** bound copies of all documents, together with an electronic copy. Envelopes containing proposals should be clearly marked: “**SAI Pension Research**”. Proposals should be addressed to Ms Yvonne Lynch, Director of Professional Affairs, Society of Actuaries in Ireland – see 2.6 above.

2.8 Project Timelines

- Proposals must be received by the Society of Actuaries in Ireland no later than Friday, 15th June 2012 at 5.00 pm.
- The Society aims to choose a preferred provider by Friday, 6th July 2012.
- The Society will then require the study and final report to be completed and submitted to the Society by Friday, 31st August 2012.

3 Information on Respondents

The purpose of this section is to obtain information about your organisation, your resource availability and your experience of working on similar research projects. **Please provide all of the information requested, in the order set out below.**

3.1 Organisation details

Please provide the following:

1. Name and address of your organisation, including location of offices and facilities that relate to the provision of services further to this RFP.
2. When and where was the organisation first established?
3. What is the ownership of the organisation? If the organisation is a subsidiary company or partner in an international consulting organisation, what is the name of the parent organisation?
4. How many staff are employed in the local organisation (or that part of the organisation that will provide services further to this RFP)?
5. How many staff will be assigned to work on this particular study? Please provide a short biography for each of them, identifying their relevant experience.
6. Please describe the support that you can offer to the Society in handling media and other queries relating to any part of your report that is publicised by the Society.

3.2 Report

Please provide a skeleton report setting out how your final report on the required research and analysis is likely to be structured. This should include proposed headings and a listing of the international models of incentivisation of pension provision that are likely to be discussed in the final report.

3.3 Relevant experience

Please provide details of similar projects/studies on which you have worked. Please provide details of the nature of the work, its relevance to this project and how it demonstrates your organisation's ability and capacity to undertake the required study.

3.4 Presenting your report

Please confirm that you will:

- (a) Present the research and findings to the Society's Council and/or such persons as the Society may decide;
- (b) Present the study at a Society CPD (Continuing Professional Development) evening meeting (on a date to be agreed) and/or public seminar (xx September 2012).

3.5 References

The Society may ask respondents to provide details of clients and/or business partners that they would be happy for us to contact for the purposes of getting references.

4 Operating Structure, Costs and Contractual Agreement

Please provide all of the information requested below, in the order set out below.

4.1 Purpose of this section

The purpose of this section is to obtain information on your charges for your work on this project and your proposed contractual arrangements.

4.2 Proposal

Please state for how long your proposal will remain valid, and any other relevant conditions or restrictions.

4.3 Operating structure

Please describe how you intend to manage this project, including procedures and controls for assessing quality and ensuring delivery on schedule and within budget.

4.4 Costs

Please provide details of all anticipated costs in € (please itemise VAT separately).

4.5 Contractual arrangements

- (a) Please include a draft copy of your proposed contractual arrangements, including the cost of completing the study (and the cost basis, e.g. fixed cost).
- (b) Please indicate what warranties and performance or support guarantees will be provided under your proposed contract. If you intend to seek limitations on your liability, please provide details.

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