



กองทุนบำเหน็จบำนาญข้าราชการ

Terms of Reference: TOR

Infrastructure Investment Advisory Service

1. Background

Government Pension Fund (“GPF”) was established as the defined contribution pension fund under the Government Pension Fund Act B.E. 2539. Its primary objectives are to ensure member benefits upon retirement, to encourage member saving consciousness, as well as to provide members with other welfare benefits. Assets under management are contributed by fund members and government. The GPF investment philosophy emphasizes the safety of the principal fund, good returns that outperform the long-term inflation rate, proper assets allocations, diversified investment choices and categories that survive perpetual changes of current globalization trends, efficient investment control and supervision process. All these factors help adjust our investment yields to counter balance cyclical economic effects and generate satisfactory returns to our fund members.

As of 31 December 2020, GPF had approximately USD 13.4 billion of total net assets – net of reserve – which is available for the asset allocation.

According to current strategic asset allocation plan (“SAA”), GPF allocates 3.5% of its total net assets to infrastructure investment (“INFRA”) with the current NAV at 2.8%, GPF needs to increase the INFRA investment to achieve its current SAA and any increase in INFRA allocation in the future. For the additional INFRA investment, GPF aims to have well-sufficient INFRA portfolio diversification through vintage years, styles, strategies, industries, and geographies. The INFRA portfolio is expected to grow commensurate with the overall growth of the GPF’s AUM. Therefore, GPF intends to seek a qualified third-party service provider (“advisor”) to provide advisory services for GPF’s INFRA investment.

2. Statement of Purpose

GPF will mandate advisory services from the selected advisor to develop a multi-year investment strategy and asset allocation for the GPF’s INFRA program. The objective of the mandate is not only to enhance INFRA investment returns, but also to improve risk management through diversification over the long-term. The advisor would assist GPF to conduct due diligence and select INFRA managers and funds.

3. Qualifications of the bidder

3.1 The bidder shall possess the expertise, profession and experience in the business of providing the advisory services for INFRA investment, including but not limited to



the private funds investments globally, and in the capability to analyze and assess the INFRA program framework of GPF.

3.2 Registered as an Investment Advisor with the U.S. Securities and Exchange Commission or authorized by the appropriate regulatory authorities (i.e. UK Financial Services Authority) to provide investment advisory services including global private market investments

3.3 The bidder shall not be a person having any privilege or protection be able to deny the judicial system of Thai courts, unless the government of the bidder has an order to waive such privilege or protection.

3.4 The bidder shall not be a person having mutual benefit with other bidders and shall not be a person obstructing the fair price competition on the date of notification of this engagement.

3.5 The bidder shall not be a person with a previous record of abandoning any work undertaken as declared by GPF and the Comptroller General's Department.

4. Scope of Services

The selected mandate advisor will be responsible for providing advice and support on all issues in relation of the following scope of objectives as follows;

Section	Scope of Services
Section 1: Portfolio planning	<ol style="list-style-type: none">1) Advise on appropriate model portfolio that best suit with GPF and in accordance with the GPF's strategic asset allocation targets and investment objectives, taken into account the existing GPF's Infrastructure portfolio.2) Advise on a multi-year investment strategy and an asset allocation plan including but not limited to, targeted portfolio allocations, implementation plan, commitment size, number of managers, cash flow projections, NAV projections.3) Update on market development and outlook for infrastructure e.g. information on new events/research on specific geography or sector of infrastructure. Identify and recommend investment themes and strategies.4) Review and update of such multi-year investment strategy and asset allocation plan taking into account market development, investment opportunities, and advise on rebalancing plan, fund exit strategy, secondary market if necessary.5) Update on key changes and developments of committed funds in GPF Infrastructure Program that may impact the entity's ability to provide investment expertise/service e.g. change in strategy or management team, competitiveness of committed funds, financial stability of the investment management company.



Section	Scope of Services
	6) Available for calls to discuss relevant issues.
Section 2: Fund selection	<ol style="list-style-type: none"> 1) Update on managers/funds pipeline consistent with the recommended model portfolio and investment strategy. 2) Formulate the selection criteria and making investment recommendation on the appropriate managers/funds. 3) Identify appropriate investment opportunities and conduct screening, preliminary analysis on suitable managers/funds including a shortlist of managers/funds. 4) Provide due diligence documents/IC memo on recommended funds (note: tax and legal to be performed by GPF) including high-level analysis of other relevant shortlisted funds and rationale for not selecting them. 5) Assist GPF's due diligence process, i.e. setting up meetings, attending manager interviews, coordinating with managers, and other administrative issues. 6) Provide implementation support, i.e. provide comments on the fund's key commercial terms and any fee benefits eligible for GPF that the Investment Advisor negotiates on behalf of its clients.
Section 3: Proprietary research and database	<ol style="list-style-type: none"> 1) Provide access to proprietary research and database for infrastructure Managers and Funds.

5. Service Deliverables

Section	Deliverables	Timing
Section 1: Portfolio planning	<ol style="list-style-type: none"> 1) Written reports providing analysis and recommendation including; <ul style="list-style-type: none"> - Assessment and analysis on existing GPF's infrastructure portfolio - Market outlook and investment strategies/themes - Appropriate portfolio model (i.e. by geography, strategy, sector, approach, vehicle) and risk management framework/guideline (i.e. investment limits) - Multi-year implementation plan including commitment size and pacing, number of managers, cash flow projections, NAV projections 2) Annual review and update of such model portfolio, multi-year investment strategy and asset allocation plan 3) Monthly calls to cover: <ul style="list-style-type: none"> - relevant market news and updates 	<p>[30] days after signing agreement</p> <p>Within every January</p> <p>Monthly</p>



	<ul style="list-style-type: none"> - investment pipeline including discussion on Investment Advisor’s high conviction funds (if any) - key changes and developments of committed funds in GPF infrastructure portfolio - potential funds for GPF in targeted regions/strategies 	
Section 2: Fund selection	<ol style="list-style-type: none"> 1) Formulate the selection criteria for making investment recommendation on the appropriate managers/funds. 2) Written report providing fund screening process (i.e. from investment landscape and its universe to shortlisted funds and then recommended fund(s)) with high level analysis of shortlisted funds being screened out. 3) Comprehensive due diligence reports/investment memorandums on the recommended managers/funds in which at a minimum should address with comments the following points; <ul style="list-style-type: none"> - Executive summary - Industry outlook - Managers / funds overview - Strategy - Key man / Investment professionals - Risk / Mitigation - Peer comparison / Analysis - Historical performance verification / Analysis vs peers - Key terms and conditions with comments - fee and other benefits negotiated by Investment Advisor (if any) - References - Investment recommendation, investment rating (if any) 4) As requested by GPF, calls with the key researcher who cover the recommended fund to discuss 5) As requested by GPF, assist GPF’s due diligence process, i.e. setting up meetings, attending manager interviews, coordinating with managers, and other administrative issues. 6) Providing implementation support, i.e. provide comments on the fund’s key commercial terms, GPF to be eligible for any fee benefits the Investment Advisor negotiates on behalf of its clients. 7) Monthly calls to discuss pipeline and potential funds for GPF in targeted regions/strategies. 	<p>[30] days after signing agreement</p> <p>Each fund</p> <p>Each fund</p> <p>As requested</p> <p>As requested</p> <p>Each fund</p> <p>Monthly</p>
Section 3: Proprietary research and database	<ol style="list-style-type: none"> 1) Provide access to proprietary research and managers/funds database for infrastructure investments 	[5] days after signing agreement



6. Period of Services

GPF will mandate the selected qualified advisor for advisory services for a period of [36] months following the date the contract is signed.

7. Indicative Timeline & Process

The indicative timeline for the selection process is summarized below:

Key Process ¹	Date
Deadline for submitting Proposal	[February 2021]
Presentation to the Selection Committee by shortlisted candidates	[March 2021]
Negotiate terms & conditions	[April 2021]
Agreement signed	[April 2021]

8. Requirement for Bidding Submission

The bidder shall prepare documents in two (2) parts as follows:

8.1 Technical part: the bidder shall prepare documents comprised of the following details:

(1) Company Profile

(a) Document showing the status of juristic person or copy of certificate of registration (not older than 90 days);

(b) Company's background, shareholder structure and the affiliate structure (if any);

(2) Reply in the **Questionnaire as detailed in Annex A** of this TOR. If the bidder desire to provide additional information beyond inquiries in the Questionnaire, the bidder should exhibit the additional information as either appendices or attachments.

8.2 Pricing part: the bidder shall prepare the price and fee structures breakdown as **detailed in Annex B** with following conditions:

(1) The prices and fees shall specify the operation details according to the scope defined in the TOR and describe the calculation method of the fee.

¹ Process and schedule is subject to changes at the sole discretion of GPF.



(2) The prices and fees shall be proposed in the US Dollar amount including the value-added tax, other duties and any other expenses for all service deliverables as specified in the TOR and throughout the period operation with GPF.

(3) The prices and fees shall be maintained at least 180 days after the propose date whereby the bidder shall be responsible for the quoted price and cannot withdraw the prices and fees after the submission at any causes.

The bidder must return the followings;

(1) **The Technical part:** one (1) original with the signature of authorized person(s) plus stamp affixing (if any) in every page and two (2) hardcopies of **the Technical part** – including all appendices and attachments to

Mr. Anusorn Sirikijpanichkul
Director and Department Head, External Fund Management – Private Market
Government Pension Fund
990 Rama IV Road, 6th Floor,
Bangrak, Bangkok 10500,
Thailand.

In addition, the bidder must send an electronic file of the ***Technical part only*** via e-mail to privatemarketportfolio@gpf.or.th.

(2) **The Pricing part:** one (1) original with the signature of authorized person(s) plus stamp affixing (if any) in every page of **the Pricing part** – ***sealed in separate envelopes*** to

Mr. Man Jutijudata
Deputy Secretary-General
Investment Strategy and External Fund Management Group
Government Pension Fund
990 Rama IV Road, 6th Floor,
Bangrak, Bangkok 10500,
Thailand.

9. Criteria of Selection

The GPF's selection process for the appointment of INFRA Advisor shall be summarized as follows:



Criteria	Points
1. Business Profile Firm's background, organization structure, firm stability and focus on Infrastructure and related experiences	[15]
2. People and Team Team expertise and experience and team stability	[30]
3. Process Market research coverage, Idea generation, Fund/Manager coverage, database, selection framework/process which included selection criteria, due diligence process, fund recommendation/investment process, quality of recommendation documents, risk management, monitoring and reporting process	[45]
4. Service Services and responsiveness, client base and type, other supports i.e. fund term benefits from being the Advisor's client	[10]
Total	100

9.1 The Committee will simultaneously open the Pricing part envelopes of three (3) finalists that receive the highest score on the Technical part.

9.2 GPF will call the Bidder that receives the highest score on the Technical part to agree and negotiate on the prices and fees.

9.3 If GPF cannot agree on the prices, fees, related terms and conditions with the highest Technical part score bidder, GPF will call the next bidder that receive the second and third highest score on the Technical part for further negotiations respectively.

9.4 GPF will repeat the process until it is satisfactorily agreed on the prices, fees, related terms and conditions with the qualified bidder.

10. Disclaimer

10.1 The information that the bidder(s) submit in response to this TOR shall become the exclusive property of GPF and shall not be returned to the bidder(s) in any cases. Moreover, GPF shall not reimburse the bidder(s) for proposal preparation expenses or any other. GPF shall not be liable for any costs the bidder(s) incurring in connection with the preparation or submission of any proposal.



10.2 GPF reserves the right to make investigation as it deems necessary to determine the bidder(s)' ability to furnish the required services, and the bidder(s) agree to furnish all such information for this purpose as GPF may request.

10.3 Please be notified that the bidder(s)' proposal and information therein may, for facilitating the process, be shared with any advisor(s) working with GPF for this procurement process, in a strictly confidential manner.

10.4 GPF reserves the right to cancel this TOR, in whole or in part, any time before the closing date. GPF also reserves the right to reject, in whole or in part, any and all proposals received; to waive minor irregularities; to negotiate in any manner necessary to best serve the public interest, and to make a whole award, multiple awards, a partial award, or no award.

10.5 GPF reserves the right to award a contract, if at all, to the firm which will provide the best match to the requirements of the TOR and the private market investments software solutions services needs of GPF, which may not be the proposal offering the lowest fees.

10.6 GPF reserves the right to reject the lowest price or any of the price or all of the proposed price and may decide to engage only some parts that proposed or cancel without entering into this procurement, at the sole discretion of GPF. This shall be based on GPF's benefits and the decision of GPF shall be final. The bidder shall not claim the damages from GPF.

10.7 GPF reserves the right to reject the proposal of anyone who is not currently in a position to perform the contract, or who has previously failed to perform similar contracts properly, or in a timely manner.

10.8 The bidder must carefully verify details of terms and conditions under the TOR and the contract and make a comprehension on all documents prior to submission of proposal hereunder. Furthermore, it shall be considered that the bidder has verified and comprehended those entirely, acknowledged the obstacles and problems, and accepted the conditions of the services. Therefore, if there is any obstacle and problem at any stage, the bidder shall not claim from GPF to increase the cost or to be exempted from the liability.

10.9 GPF shall not allow the Vendor to sublease or assign the right on receiving payment from GPF under the TOR, whether in whole or in part, without prior written consent of GPF.



10.10 Approval or consideration about the services under the TOR shall be the authority of GPF or the GPF Committee of Procurement as assigned.

