



Market Consultation Request

1. Background

The Superintendency of Pensions is in the process of preparing bidding terms with the objective of contracting specialized consulting services with a natural person or a legal entity of vast experience, which will serve as input for the definition of a new Investment Regime for Pension Funds in the context of the recently published Law No. 21,735.

The recent pension reform, implemented through Law No. 21,735, published on March 26, 2025, introduces modifications to Pension Fund investments that seek to generate portfolios with a longer-term view, to create incentives for a better alignment of interests between administrators and members, and to provide better risk/return combinations, thereby achieving higher pensions.

Submission of Responses

Responses to all or part of these queries can be submitted to the email consultainversiones@spensiones.cl, or through the public procurement portal www.mercadopublico.cl (registration required). Responses will be received till May 7th, 2025.

2. Objective of the consultation

Through this consultation, the Superintendency of Pensions seeks to gather information on technical, methodological and operational aspects that will allow for the development of appropriate terms of reference to carry out the bidding process for contracting specialized consulting services for the design of this new investment regime that incorporates international best practices and adapts to the current needs of members, establishing a flexible but robust regulatory framework that can adapt to changes in financial markets and the pension system.

The responses received will be considered as non-binding inputs for the Superintendency and participation in this consultation does not grant preference or advantage in the subsequent bidding process.

3. Products and services to be consulted

The allocation, through a public bidding process, to an expert consulting firm to develop a study that addresses the following:

- a) Design of target date funds (Size of cohorts in relation to demographics and currently accumulated resources in the Chilean pension system);
- b) Design of reference portfolios (benchmarks) for the accumulation and decumulation phases for each of the stages of the generational funds, to guide investment management;
- c) Definition of relevant performance measure(s) to incorporate the pension objective and evaluate fund performance;
- d) Margins of deviation from these performance measures with respect to the reference portfolios and other related matters, which should be contained in the Pension Funds Investment Regime; and
- e) Strengthen the mechanisms for managing and mitigating financial and non-financial risks, analyzing the relevance of incorporating limits and other measures that mitigate these risks. Consider at least the following risks: liquidity, counterparty, leverage, mismatches with respect to implicit pension risk, operational risks, among others.

The products of the consultancy include interim and a final report, as well as meetings with the Superintendency's counterpart team, Technical Investment Council, Central Bank, among others.

4. Questions

On Experience and Technical Capabilities

1. What specific technical experience should the provider have to carry out the required consultancy?
2. What methodologies do you consider most appropriate for defining reference portfolios (benchmarks) in pension funds with different time horizons?
3. What tools and analytical models do you consider relevant for evaluating different risk-return scenarios over a long-term horizon, incorporating pension risk?
4. What capabilities of the professional team would you highlight as especially relevant for a project of this nature? Mention academic background, previous experience, and professional profile.

On Methodological Aspects

5. What approaches do you consider most appropriate for determining the strategic asset allocation in a target date funds system?
6. What factors do you consider critical for the definition of reference portfolios (benchmarks) that are both robust and practical to implement?
7. What parameters and statistics do you suggest using to evaluate the performance and risks of portfolios in the long term?
8. How would you incorporate pension risk into the analysis?
9. How would you address the integration of alternative asset classes (infrastructure, private equity, etc.) in the investment regime?

On Project Implementation and Management

10. What timeframe and team structure do you consider reasonable to develop a project of this magnitude? What phases would you suggest for its implementation?
11. What information and data would you consider essential for the proper development of the project?
12. What specific technological resources would be necessary for developing the required analyses?

On Regulatory Aspects

13. What international references do you consider particularly relevant for Chile in terms of regulating pension fund investments, in the context of implementing target date funds?

On Risks and Mitigation

14. What approaches do you recommend for addressing and managing emerging risks (climate, technological, geopolitical, etc.)?
15. What protection and transition mechanisms do you suggest for addressing and managing the potential impacts of implementing the new regime?

On Cost

16. What value ranges would you estimate appropriate for the development of this consultancy?

5. Tentative Calendar

- Publication of market consultation: April 16th, 2025
- Deadline for receiving responses: May 7th, 2025
- Estimated publication of bidding terms: May 2025

6. Additional Information**Confidentiality**

The information provided by potential suppliers will be treated confidentially and used exclusively for the purpose of preparing the project's terms of reference. The Superintendency of Pensions commits to not disclose specific information provided by participants in this consultation.