REQUEST FOR PROPOSALS:

SUMMARY OF PROCUREMENT

WRI intends to award a cost-reimbursable type contract on the study of energy Sectoral Roadmap to Support the Implementation of Medium-Term Development Plan (RPJMN) 2020-2024 and LCDI in Indonesia. The project has an expected end date of 30th of October 2020.

The study will provide data-driven information to formulate actionable strategies to achieve national renewable and energy intensity targets by focusing on most impactful low-carbon energy subtopics, both at national and subnational level. The strategies formulation will be taking into account the short-term and long-term impacts of COVID-19 to the Indonesia’s economy that influence government’s priorities. Hence, this study will build its final output as means for government to build back the economy better and achieve energy security through low-carbon approach.

Building upon the previous LCDI report, this study will elaborate the macro-level result of policy recommendations into implementation-level through techno-economic analysis in various energy subtopics, such as building efficiency and urban trends, renewable energy adoption by industrial and commercial sector, energy access in rural area, electric vehicle and so on. This study will also assess the existing barriers in the aspects of policy, financial, technology, and capacity that potentially hinder effective implementation of the proposed strategies.

About the World Resources Institute

Founded in 1982, The World Resources Institute (WRI) is a global environmental think tank that goes beyond research to put ideas into action. We work with governments, companies, and civil society to build solutions to urgent environmental challenges. WRI’s transformative ideas protect the earth and promote development because sustainability is essential to meeting human needs and fulfilling human aspirations in the future.

About the Project
For the first time in the history of Indonesia, Indonesia’s mid-term development plan (RPJMN) 2020-2024 will be a low carbon based one, built around considerations about Greenhouse Gas (GHG) and environmental impacts associated to alternative development paths. RPJMN 2020-2024 includes policies and targets on energy efficiency, a transition towards renewable sources of energy, avoided deforestation, reforestation, agriculture productivity, and others, that would enable Indonesia to move into a process that also delivers better socio-economic results than alternative high carbon, environmentally unsustainable strategies. The Low Carbon Development Initiative (LCDI) has been supporting the Ministry of National Development Planning (Bappenas) in the preparation of the RPJMN, in particular by providing analytical input of low carbon, sustainable development policies, interventions and investments, based on the understanding of the feedback relationships between climate systems, the environment and the socio-economy.

Energy sector is the second biggest emission source after land-use sector in Indonesia. The sector will soon climb up the rank if business as usual scenario is applied. The RPJMN determined several key indicators to mitigate the possibility:

<table>
<thead>
<tr>
<th>Indicators in RPJMN</th>
<th>Baseline in 2019</th>
<th>Target in 2024</th>
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<tbody>
<tr>
<td>1. Renewable energy share</td>
<td>8.55%</td>
<td>23%</td>
</tr>
<tr>
<td>2. Primary Energy Intensity (BOE/billion IDR)</td>
<td>141</td>
<td>133.8</td>
</tr>
<tr>
<td>3. Reduction in Final Energy Intensity (BOE/Billion IDR)</td>
<td>0.9</td>
<td>0.8</td>
</tr>
</tbody>
</table>

To achieve those, the document emphasizes on key measures such as increasing the development of RE power plants as well as low-carbon biofuel, and increasing the implementation of energy efficiency and conservation.

However, the current pandemic situation has altered government’s priorities in making decisions at both national and subnational level. Historical evidences have shown how investment in cheap and emission-intensive energy was a go-to action taken by the government to stimulate the national economy. The low-carbon energy has been perceived as expensive investment with existing barriers in knowledge capacity and technology. Nonetheless, by repeating the business as usual, Indonesia is at risk to have a fossil-based technology lock-in and not capable to achieve its climate commitment.

Indonesia’s Ministry of National Development Planning (BAPPENAS) is working on sectoral studies in the prioritized sectors, including energy sector. The study will be built upon the notion that low-carbon strategies are a way to go for government to build back better, especially for the long-term sustainability. The study will identify scalable, economically appealing, technically and institutionally feasible opportunities to attain targets in GHG emission reduction referred to in RPJMN 2020-2024.
SCOPE OF WORK AND DELIVERABLES

Scope of Work

In order to carry out the sectoral studies, NCE and WRI Indonesia will work together with LCDI Secretariat and partners/experts in the respective field to enrich the content of the sectoral studies. The basis of analytical work on energy sector and investment needs will be drawn from LCDI and RPJMN model scenarios working together with the System Dynamics modelers, while input on sectoral context will be gathered from Focus Group Discussions (FGDs) and 1-on-1 interviews with experts, technical and policy representatives from relevant line ministries and institutions. BAPPENAS will appoint several experts in the development of the sectoral study, including energy sector experts and financial expert. The experts will lead the overall development of industrial study, actively engaged with the relevant stakeholders, and serve as the key communication point with WRI and LCDI Secretariat.

This study comes with top-down and bottom-up approaches. The top-down approach will accommodate plans in national and subnational level to be analysed.

The energy sectoral study will utilize both existing and upcoming energy regulations which Ministry of Energy and Mineral Resources (MEMR) has been drafting as the basis of its analysis. There are currently 9 key regulations to be analysed, but not limited to:

1. 1 million barrel per day crude oil production
2. Utilization of domestic oil for domestic market
3. Oil refinery development
4. Utilization of electric vehicle
5. Renewable energy development
6. Development of biodiesel
7. Green Economy Package
8. Production of coal
9. Development of city gas network

This study will assess the impact of those policies to national emission reduction, whether the policy will increase or decrease emission level. Wherever possible, the sectoral studies will also accommodate the strategic plans (Rencana Strategis/Renstra) drafted by related ministries which comply to RPJMN 2020-2024 targets. In respond, NCE, WRI, LCDI Secretariat and partners/experts shall coordinate intensively with appointed ministries.

In bottom-up approach, this study will go through subnational case study. The bottom-up approach will focus on provinces with renewable energy as their priority in addressing their climate challenge. In doing so, this study will analyze critical factors and challenges behind provinces’ renewable energy development.

Thus, by comprehensively doing both top-down and bottom-up approach, it is expected that this study will provide thoughtful and tangible recommendations which can be adopted by relevant stakeholders either in national or subnational level.

TIMING
This study consists of six chapters that are shown in the table below. Project duration planned for August 2020 – October 2020 (3 months).

The table below provides proposed outline for sectoral study:

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Executive Summary</td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Introduction</td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>National Targets in Energy Sector</td>
<td>An overview and a summary on existing RPJMN targets to be achieved in the period of 2020-2024. Wherever possible, this chapter could also include other policies that potentially affect current and future economic activities and investments in the specified sector.</td>
</tr>
</tbody>
</table>
| III     | Year 2020 landscape of energy sector | IIIa. Situation: current biophysical context, economic context, and policy and institutional arrangement related context, taking into account the impacts of COVID-19 both in national and subnational level

IIIb. Complication: current obstacles and gaps preventing us from achieving RPJMN targets.

IIIC. Opportunity: overview on energy sub-sector to prioritize in the recommended strategy |
| IV      | Interventions and Strategy: How to Get There? | IVa. Detail analysis on energy subsectors

IVb. Strategy: proposed action plans to overcome obstacles, gaps and how to deliver RPJMN targets. |
| V       | Opportunities on Green and Innovative Financing | Va. Estimated investment needs for to achieve RPJMN targets

Vb. Investment gaps |
Vc. Financing schemes and how to mobilize public and private investments to cover the investment needs

VI Conclusion

BUDGET

Budgets up to 60,000 USD will be considered and must break down expected team members, respective day rates, and anticipated days on the project. Please note this information will also be required on invoices, as this award will be paid on a cost-reimbursement basis.

Please note that WRI is an IRS-registered 501(c)3, tax-exempt organization. WRI is not VAT exempt. All prices or quotes should include VAT and tax, as applicable.

GUIDELINES FOR PROPOSAL SUBMISSION

Proposal content
The selected organization or consultant will be able to demonstrate capacity in similar work. Prospective organizations or consultants should consult the Innovation and Challenge Fund submission document, which will ask the organization or consultant to submit:

- A statement of interest describing the proposed team and how it meets the above requirements;
- CVs of team members;
- Examples of and/or references for similar previous work;
- An outline of the proposed methodology and workplan;
- An account of how the work and/or organization is sustainable
- A proposed budget with a breakdown of costs sufficient to assess reasonableness and compliance with our funder requirements. If proposing for a Fixed Price contract, please also include a competitive payment schedule associating amounts with work milestones.
- If a reimbursable type of contract is envisioned, a summary of accounting system which will support claims.

Expression of Interest, Deadline for Questions, and Proposal

All proposals to this RFP must be received via email to the contacts below by contacts below by August 14, 2020. Expressions of interest and Questions must be submitted prior. Answers to the questions will be shared will all parties who have asked questions or otherwise expressed interest.

- Egi.Suarga@wri.org, Ari.Adipratomo@wri.org, Kylie.Teller@wri.org

EVALUATION AND SELECTION

Evaluation Criteria
The following elements will be the primary considerations in evaluating all proposals submitted in response to this RFP:
• Completion of all required elements;
• The extent to which the organization’s or consultant’s proposal fulfills WRI’s stated requirements as set out in the RFP;
• Experience with similar projects
• Sustainability – WRI values sustainability and all other factors being equal, will favor a proposal to more sustainably perform the work.
• Overall cost of the proposal.

The bidder offering the best overall value will be selected. For this procurement, price and non-price aspects are considered to be of approximately equal importance.

Selection Process
No proposal development costs shall be charged to WRI / all expenses are to be borne by the bidders. WRI may award to the bidder offering best value without discussions. However, WRI reserves the right to seek bidder clarifications and to negotiate with those bidders deemed to be within a competitive range.

WRI may, at its discretion and without explanation to the prospective organizations or consultants choose to discontinue this RFP without obligation to such prospective organizations or consultants or make multiple awards under this RFP.