REQUEST FOR PROPOSALS:

SUMMARY OF PROCUREMENT
WRI intends to award a cost-reimbursable type contract on the study of Industry 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 objective of the industrial sectoral roadmap is to identifying scalable, economically appealing, technically and institutionally feasible opportunities to attain targets in GHG emission reduction and other development goals referred to in RPJMN 2020-2024.

The purpose of the project is as follows:
1. To overview the policy targets at industrial sector defined in RPJMN 2020-2024 and other key interventions
2. To evaluate the progress of target achievement in industrial sectors, especially related to obstacles, regulation bottleneck, lack of resources, and other issues in industrial sector targets
3. To list and analysis the relevant activities with potential to deliver on policy targets
4. To assess the financing cost and investment
5. To summarize the impacts of scaled up interventions on GHG emission, environmental and socio-economic outcomes
6. To recommend an innovative financing strategy

The basis of analytical work on industrial 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 industry 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. Wherever possible, the sectoral studies will 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.

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

The national government of Indonesia has been making important commitments towards a low carbon, climate resilient future. In 2015, Indonesia joined a global wave of countries that submitted their post-2020 climate change pledges to the United Nations Framework Convention on Climate Change (UNFCCC), where it committed to reduce greenhouse gas emissions by 29 percent to up to 41 percent below a 2030 business-as-usual scenario.

For the first time in the history of the country, Indonesia’s medium-term development plan (RPJMN) 2020-2024 became a low carbon-based one, built around considerations about Greenhouse Gas (GHG) and environmental impacts associated to alternative development paths. More specifically, the Low Carbon Development has been explicitly stated as one of Government priority program in the chapter 7 of the RPJMN. Several strategic actions to identified in this chapter include:

- Development of sustainable energy
- Sustainable land restoration (including peatland)
- Waste management
- Development of green industry, and
- Preserving Blue Carbon

Industrial sector, especially the manufacturing industry, has been shown to play an important role in Indonesian economy. Since the past decades, this sector has contributed to around 40% - 46% of the GDP formation (BPS, 2016). Furthermore, industrial sector also plays a significant role in Indonesia’s overall emission. According to Indonesia’s second biennial update report (BUR), industrial and product use (IPPU) accounts for 3% of Indonesia’s total emission in 2014. To promote the emission reduction in the industrial sector, RPJMN 2020-2024 sets 3 policy targets to be implemented in the industrial sector:

<table>
<thead>
<tr>
<th>Indicator of Green Industry Development</th>
<th>Unit</th>
<th>Baseline (2019)</th>
<th>Target (2024)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage amount of medium and big industries to be certified with <em>Standard Industri Hijau</em> /SIH (companies)</td>
<td>Companies (%)</td>
<td>N/A</td>
<td>10</td>
</tr>
</tbody>
</table>
As implied above, development of green industry is a big focus in RPJMN 2024 with the following strategies:

1. Conservation and audit on the energy consumption in industrial sector
2. Application of process and technology modification
3. Industrial waste management

However, there is rarely a study which assessed the quantified impact of green industry development to emission reduction in national level. Thus, this study will:

1. Analyse how far green industry can contribute to national emission reduction by assessing each parameter used in determining green industry criteria,
2. Map challenges for stakeholders in industry sector in encouraging the shifting to green industry.

The study will start with the comparison between the baseline from greenhouse gas in IPPU and waste sector, along with the connection between RPJMN in 2015-2019 and 2020-2024. Indonesia’s Ministry of National Development Planning (BAPPENAS) has started the development of sectoral studies in the prioritized sectors, including industrial sector. The study will provide roadmaps or blueprints that could be useful for defining strategies, policy instruments, identifying financing gaps, innovative financing schemes, and implementation arrangements. The focus of the study will be identifying scalable, economically appealing, technically and institutionally feasible opportunities to attain targets in GHG emission reduction and other development goals referred to in RPJMN 2020-2024. To support the development of sectoral study, the experts in the following field will be hired:

1. Industrial sector and policy expert
2. Finance expert
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 industrial 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 industry 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. Wherever possible, the sectoral studies will 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.

The proposed stakeholders to be included in the industry sector study are shown below:

**Government Officials**
1. Ministry of National Development Planning/BAPPENAS
2. Ministry of Industry – Green Industry Department
3. Ministry of Environment and Forestry – Dirjen PPI

**Experts**
1. Partnership for Market Readiness (PMR), UNDP
2. BPPT
3. World Energy Council
4. Science-Based Targets, Business Centre WRI DC
5. ClimateWorks Australia
6. Sustainability experts
7. Climate Finance Experts

**Private Sectors**
1. Indonesia Business Council of Sustainable Development (IBCSD)
2. Private sectors from high-emitting GHG emission industries
**TIMING**

This study consists of nine 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>Ch.</th>
<th>Title</th>
<th>Sub-section and Content</th>
<th>PIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Executive Summary</td>
<td>A 5-10 pages summary of main characteristics, opportunities, constraints, and key insights to guide policy implementation at sector level</td>
<td>Dedy, Industry sector experts</td>
</tr>
<tr>
<td>I</td>
<td>Introduction</td>
<td></td>
<td>Industry sector experts, Dedy</td>
</tr>
<tr>
<td>II</td>
<td>Policy targets at Sector Level defined in RPJMN 2020-2024 and other key interventions</td>
<td>Summary of existing sector policy targets defined in RPJMN 2020-2024, by periods (2020-2024; 2025-2030; and 2031-2050). Wherever possible, this chapter could also include other policies and interventions (public, private) that potentially affect current and future economic activities and investments in the specified sector. Policy targets are defined here as proximate indicators on interventions. Specific activities that are required to attain those targets are identified below. This section is to include sector / marginal contribution to GHG emission reduction and other environmental sustainability outcomes. The section is to include the required policy targets that are consistent with Indonesia moving into a decarbonization path through 2050. This section as (1) a re-check process whether policy already developed in LCDI Model (as model Base) or not and early result of policy impact to emissions and other outcomes and (2)</td>
<td>Dedy, Industry sector experts, Modeler Expert</td>
</tr>
</tbody>
</table>
### III. Activities with potential to deliver on policy targets

- List of activities that can be undertaken to attain policy targets. These will be identified from expert consultations both at national and provincial level.
- Development of related activities into simple structure in the Model

#### Industry sector experts
- Modeler Expert

### IV. Case Studies / Examples of S.E.T.I.E. projects in Indonesia

Presenting a number of case studies, including successful experiences in Indonesia that have a potential to be scaled up, based on criteria that includes technical and economic feasibility as well as potential to deliver on GHG emission reduction and environmentally sustainable targets.

The possible case studies that has been successful in the global scale:
- Increasing corporate capacity in the greenhouse gas management using GHG protocol
- Carbon pricing
- Emission reduction target using Science Based Target Initiative (SBTi)
- Circular economy in relation with the achievement of Sustainable Development Goals (SDGs)
- Development of more detailed structure (based on point III) based on significant Case Studies in terms of emissions reduction in IPPU/Industrial Sector if possible

#### Dedy, Industry sector experts
With lessons learned from international experts:
1. Business center, WRI DC
2. ClimateWorks Australia
3. Modeler Expert

### V. Financing costs / investment needs per project

This section will attempt to compute costs / investment needs to undertake activities, measured on per unit basis

#### Tezza, Finance experts
| VI | Summary of co-benefits, impacts | • Test the Policy actions (related activities) in the model and analyze the impact in emission reduction of IPPU and other outcomes, it might be needed for scaling up in model structure  
• Summarizing impacts of scaled up interventions on GHG emission, environmental and socio-economic outcomes | Dedy, Tezza, Industry experts, Finance experts, Modeler Expert |
| --- | --- | --- | --- |
| VII | Opportunities and Constraints. Required interventions and Strategy to scaling up outcomes | VIIa. Summary of **opportunities**  
VIIb. Summary of **constraints**, Classified in: Financing constraints; Political Economy; Missing inputs (human capital, labor, technology, other inputs)  
VIIc. **Strategy**: proposed action plans to overcome obstacles, gaps and how to deliver RPJMN targets. | Dedy, Tezza, Industry experts, Finance experts |
| VIII | Innovative Financing Strategy (Gap and Innovative Scheme) | VIIIa. Estimated investment needs for to achieve RPJMN targets (unconditional NDCs); and also to achieve conditional NDCS and Decarbonization Path.  
VIIIb. Investment gaps. Based on modeling of resource needs, resource availability, competing needs to attain other development targets. Meso – Macro analysis  
VIIIc. Financing schemes and how to mobilize public and private investments to cover the investment needs | Tezza, Finance experts |
| IX | Conclusion, Recommendations and Roadmap for Implementation | Summarizing challenges, opportunities and providing a roadmap for implementing LCDI compatible activities in the sector. | Dedy, Tezza, Industry experts, Finance experts |
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 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.Adirapatmo@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.