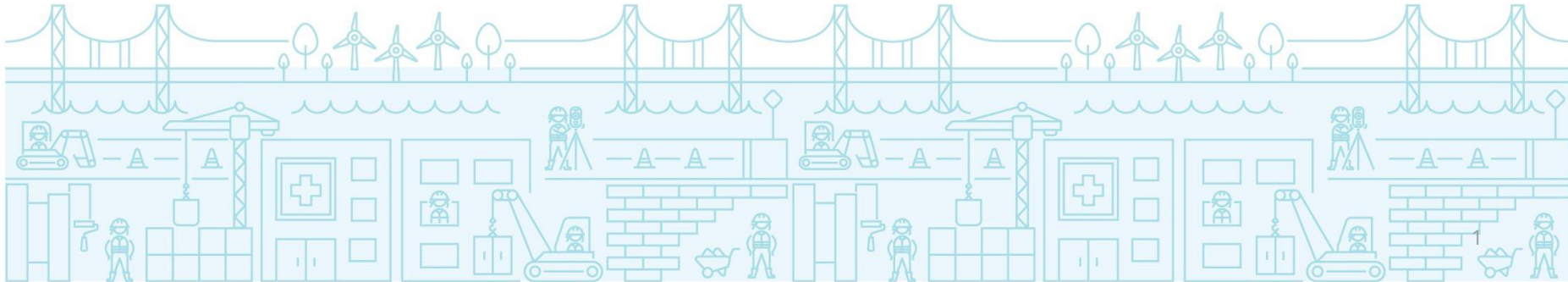




# RFP - Leveraging industrial decarbonisation options in Indonesia by anticipating international carbon tariff



# 1

## PROJECT DETAIL



# Introduction of ETP



ETP Partners with governments to move to low carbon energy systems in SEA.

- ❖ **Encouraging** policy makers to promote the right investment environment, legal and regulatory frameworks that support rather than impede energy transition
- ❖ **De-risking** of finance and investments for businesses looking to make investments into clean energy; and
- ❖ **Expanding** grids to facilitate safely and surely variable renewable energy to consumption
- ❖ **Knowledge** to empower governments, private sector and civil society to underscore a demand for rapid transformation.

## Energy Transition Partnership (ETP)

A unique platform of government donors, philanthropies, and partner governments that supports policies, projects that provide de-risking of renewable energy and energy efficiency, and smart grid, and capacity building for energy transition.

## ABOUT US

A multi-donor partnership of government and philanthropic funders, working to **accelerate sustainable energy transition** in Southeast Asia, in line with the Paris Agreement and Sustainable Development Goals.

ETP delivers **technical assistance** to empower its partner countries in their transition towards an energy system that simultaneously ensures environmental sustainability, economic growth, and energy security.

## ABOUT US

## FUNDING GOVERNMENTS AND PHILANTHROPIES



Environment and  
Climate Change Canada  
Environnement et  
Changement climatique Canada



Australian Government  
Department of Climate Change, Energy,  
the Environment and Water



## FUND MANAGER



# STRATEGIC OUTCOMES



**SO1: Aligning Policies with Climate Commitments**



**SO2: De-risking Energy Efficiency and Renewable Energy Investments**



**SO3: Extending Smart Grids**



**SO4: Knowledge, Awareness and Capacity-building**

# Project Background

- ❖ The European Union plans to implement the Carbon Border Adjustment Mechanism (CBAM) policy between 2023 and 2025, which will significantly affect Indonesia's key exports such as iron and steel
- ❖ Indonesia's industrial sector consistently ranks among the highest emitters of CO<sub>2</sub> in the country. The proposed CBAM by the EU underscores the importance of regulatory initiatives in shaping the future of industries, particularly in carbon-intensive sectors like iron, steel, cement, etc.
- ❖ In response to requests from the Ministry of Trade (MOT) and the Ministry of Industry (Mol), our project aims to assess the impact of CBAM and other international carbon tariffs on Indonesian exports. It will develop transformative measures to accelerate decarbonization in the industrial sector, recommend legal frameworks, and institutional mechanisms for decarbonization strategies.

# Objectives

Assess the impact of international carbon tariff mechanisms, particularly Carbon Border Adjustment Mechanism (CBAM) under the European Green Deal, on Indonesia's industrial sector. It focuses on developing and implementing measures for accelerated decarbonization, recommending a legal framework, and proposing incentive mechanisms, to enhance the competitiveness of export products in global markets.



# Outputs

- ❖ A comprehensive assessment quantifying the impacts of EU's CBAM and other international carbon tariffs on carbon-intensive export products
- ❖ Detailed impact analysis at the provincial level.
- ❖ Forecasting analysis of opportunities for accelerated transition to renewables, fossil fuel conversion, energy efficiency and electrification linked to global carbon pricing schemes, such as CBAM.
- ❖ Strategic roadmap and decarbonization business model to respond to the impacts of CBAM based on each implementation phase and other international carbon tariff.
- ❖ Proposed suite of policy measures and recommendations for designing and implementing new Incentives and disincentive mechanisms
- ❖ Capacity Assessment Report which includes the detailed analysis of current capacity for GHG emissions measurement, reporting and verification, and proposed recommendations.
- ❖ Enhance Indonesia's Green Industry Standard to align with global benchmarks.
- ❖ Academic Manuscript for the proposed new regulation.

# Key deliverables

- ❖ Deliverable 1: Inception Report
- ❖ Deliverable 2: Comprehensive Impact Assessment Report on EU's CBAM and Other Potential International Carbon Tariffs
- ❖ Deliverable 3: Provincial-Level Impact Analysis
- ❖ Deliverable 4: Forecasting Analysis of the impact of the EU's CBAM and other potential international carbon tariffs on the industrial sector decarbonization efforts in Indonesia
- ❖ Deliverable 5: Strategic roadmap and decarbonisation business model to address international carbon tariff
- ❖ Deliverable 6: Regulatory Landscape Assessment and Proposed Incentive and Disincentive mechanisms of Industrial Sector Decarbonization
- ❖ Deliverable 7: Guidelines for Implementation
- ❖ Deliverable 8: Assessment of Capacity for GHG Emissions Measurement, Reporting, and Verification
- ❖ Deliverable 9: Enhancement of Indonesia's Green Industry Standard
- ❖ Deliverable 10: Final report and academic manuscript for proposed new regulation

# Indicative Implementation Timeline

Milestone	Deliverables	1	2	3	4	5	6	7	8	9	10	11	12
<u>1</u>	Deliverable 1: Inception Report												
<u>2</u>	Deliverable 2 and Deliverable 3												
<u>3</u>	Deliverable 4 - Deliverables 7												
<u>4</u>	Deliverable 8												
<u>5</u>	Deliverable 9												
<u>6</u>	Deliverable 10												
	Monthly report												

# 2

## EVALUATION CRITERIA

# Selection Criteria

1. Eligibility and Formal Criteria (Pass/Fail)
2. Qualification Criteria (Pass/Fail)
3. Technical Criteria (Numeric Score)
4. Financial Criteria (Numeric Score)

# 1. Eligibility and Formal Criteria

- 1) Offeror is eligible as defined in Instructions to Offerors, Article 4. In case of Joint Ventures (JV), all JV members should fulfill this requirement.
- 2) Completeness of the Proposal. All required Questionnaires (if any), Returnable Bidding Forms, and other documentation requested under the Document Checklist section have been provided and are complete.
- 3) Offeror accepts UNOPS General Conditions of Contract as specified in Section IV: Contract Forms.

## 2. Qualification Criteria

- 1) The company should have a minimum of five (5) years of continuous experience in delivering similar projects in the past with a track-record of success.

In the case of JV, at least one of the JV members should fulfill this criteria

- 2) Offeror must provide a minimum of two (2) customer references from which similar services have been successfully provided, within any of the last 10 years.

In case of JV, the customer references of JV members can be combined.

### 3. Technical Criteria

Part 1: Offeror's Qualification, Capacity and Expertise	20 points
Part 2: Proposed Methodology, Approach and Implementation Plan	35 points
Part 3: Key Personnel Proposed and Sustainability Criteria	25 points
<b>Total Technical Proposal Points</b>	<b>80 points</b>

- The maximum number of points that a bidder may obtain for the Technical proposal is **80**.
- To be technically compliant, Bidders must obtain **a minimum of 56 points**
- ***Minimum pass score: 70% of maximum 80 points = 56 points***



### 3. Technical Criteria

Part 1: Offeror's Qualification, Capacity and Expertise		20 points
1.1	<p>Brief description of the organization, including the year and country of incorporation, and types of activities undertaken, including the relevance of specialized knowledge and experience on similar engagements done in the past.</p> <p>Bidders partnering up with a local entity to provide expertise on the local context of Indonesia's fiscal and non-fiscal, incentive and disincentive mechanisms, strategic consultation, translations; as well as communications expertise is considered a valuable asset.</p>	15
1.2	<p>General organizational capability which is likely to affect implementation: management structure, and project management controls.</p> <p>(Max 4 pages written text)</p>	5

### 3. Technical Criteria (cont.)

Part 2: Proposed Methodology, Approach and Implementation Plan		35 points
2.1	Description of the Offeror's approach including risk(s) and mitigation measure(s), and methodology for meeting or exceeding the requirements of the Terms of Reference	25
2.2	Quality Assurance Plan	5
2.3	Implementation Timeline	5
Part 3: Key Personnel Proposed and Sustainability Criteria		25 points
3.1	Qualifications of key personnel proposed aligned with the Terms of Reference	20
3.2	The bidder shall provide a response that demonstrates its commitment to support and mainstream gender equality and social inclusion in the organization, operations and project implementation activities.	5
Total Technical Proposal Points		80 points

## 4. Financial Criteria

The maximum number of points that a bidder may obtain for the Financial Proposal is **20**. The maximum number of points will be allocated to the lowest evaluated price bid. All other prices will receive points in reverse proportion according to the following formula:

Points for the  
Financial Proposal  
of a bid being  
evaluated

$$= \frac{[\text{Maximum number of points for the Financial Proposal}] \times \{\text{Lowest price}\}}{[\text{Price of proposal being evaluated}]}$$

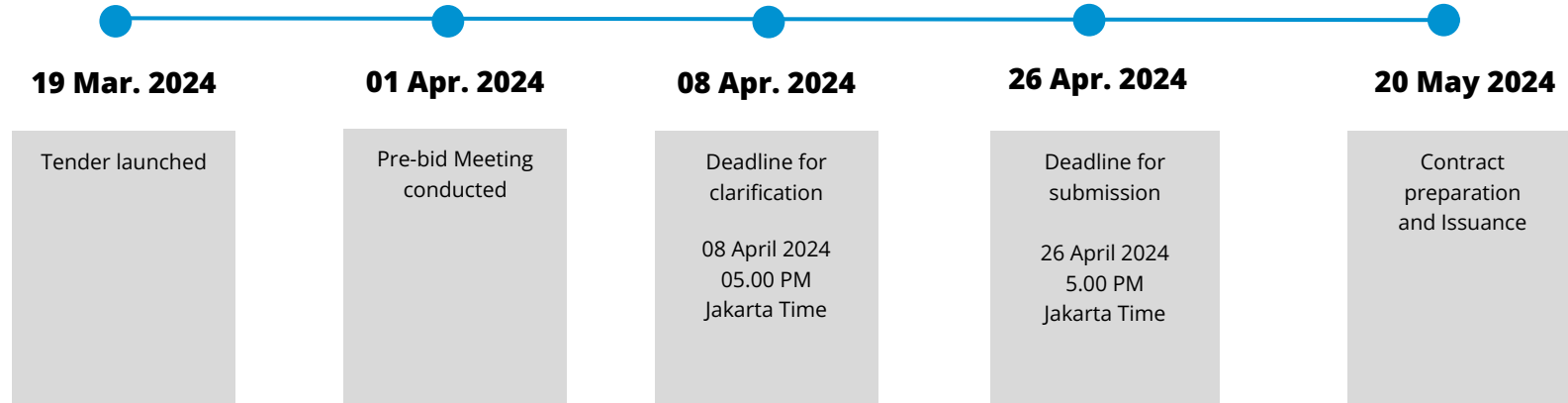
**Financial proposals will be evaluated following completion of the technical evaluation.**

The bidder with the lowest evaluated cost will be awarded (20) points. Financial proposals from other bidders will receive prorated points based on the relationship of the bidder's prices to that of the lowest evaluated cost.

# Cumulative Analysis

- 1) To select the contractor, a combination of **total Technical + total Financial Score** will be used
- 2) The weight of technical : financial offer is **80:20**

# Procurement Timeline





**Q&A**

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