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**EUROPEAN FOREST INSTITUTE**

**TENDER SPECIFICATIONS**

**PROCUREMENT REFERENCE NUMBER 6-15.2-2019-R**

**Jurisdictional support for sustainable and legal land and forest use in  
Indonesia**

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## 1. TERMS OF REFERENCE

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### 1.1. Background

The EU REDD Facility's overarching goal is to help countries engaged in REDD+ to reduce greenhouse gas emissions from deforestation and forest degradation through improved land-use governance. The aim is to achieve long-term mitigation as well as non-carbon benefits that legitimate sustained implementation by affected stakeholders.

To support REDD+ countries as they operationalise their Nationally-Determined Contributions under the Paris Agreement on climate change, the Facility works towards three objectives:

1. Supporting the clarification and implementation of legal frameworks addressing land allocation, land use and forest conversion;
2. Enabling sustainable land-use investment and management;
3. Informing deforestation-free production and trade.

In collaboration with the European Commission and interested EU Member States and European countries, the Facility provides support in various forms including expertise, technical assistance, facilitation of stakeholder dialogue, and knowledge sharing at national and international levels. The goals of engagement are:

- To deliver targeted support for national processes to address challenges at the interface of REDD+, FLEGT and land-use governance processes;
- To enhance knowledge to inform policy development at EU and international level.

The EU REDD Facility works closely with the EU FLEGT Facility, which supports implementation of the European Union's 2003 Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan. The plan aims to tackle illegal logging and trade in illegally harvested timber by addressing governance failures and weak enforcement capacities in timber-producing countries and failures in international forest products markets that allow trade in illegal timber to persist.

Key components of the FLEGT Action Plan include:

- a) Voluntary Partnership Agreements (VPAs) between the EU and timber-producing countries that allow only products that have been produced in accordance with an agreed legality standard in each timber-producing country to be exported to the EU; and
- b) The EU Timber Regulation (EUTR) which prohibits placing products containing illegally-harvested timber on EU markets by requiring operators to exercise due diligence to minimise the risk that such timber products have been illegally harvested.

The EU Timber regulation came into force in 2013 and, having ratified its VPA with the EU in 2014, Indonesia became the first country worldwide to begin issuing FLEGT licences in November 2016. By 2018, a total of 23 million hectares of forests where commercial harvesting is allowed and 4322 forest-based enterprises and industries had been certified under Indonesia's timber legality assurance system: the Sistem Verifikasi Legalitas Kayu, or SVLK.

The EU REDD Facility's work in Indonesia builds on experience with the VPA in supporting land and forest governance reform including through trade related initiatives. Past work has included development of

approaches for improved land and forest governance in West Papua, partnership with the Trase consortium<sup>1</sup> to elucidate palm oil supply chains between importing countries and producers in Indonesia, establishment of jurisdictional indicators to track progress towards sustainability across Indonesia,<sup>2</sup> and an associated assessment of how clarified and implemented legal frameworks for forest conversion can support achievement of Indonesia's forest related NDC targets.

## **1.2. Introduction**

Indonesia has the third largest area of tropical forests in the world and in 2018 ranked third in terms of loss tropical primary forest. Primary forest loss was, however, 40 percent lower in 2018 than the average annual rate from 2002-2016, and an even steeper decline in loss of protected forests was reported. Estimates suggest that a significant amount of deforestation is due to illegal conversion to industrial forestry and agriculture. Eliminating illegal deforestation from supply chains has been identified as a top priority in addressing tropical deforestation<sup>3</sup> and Indonesia's VPA sets a valuable precedent in eliminating illegal timber from supply chains to the EU. Resolving legality issues is not only in the interest of the Indonesian Government, smallholders and civil society, it is a central interest to companies that have committed to eliminating deforestation and illegality from supply chains.

In 2016, Indonesia ratified the Paris Agreement and submitted its Nationally Determined Contribution (NDC), which sets an unconditional GHG emission reduction target of 29% and conditional reduction target of up to 41 % by 2030. Under the NDC, forestry and land use are intended to contribute around 60% of the targeted reduction and Reducing Emissions from Deforestation and forest Degradation (REDD+) is programmed to play an important role. Progress with REDD+ in Indonesia has been hindered by interministerial coordination issues and law enforcement challenges at province and district levels. To achieve REDD+ outcomes, attention has therefore turned towards multi-stakeholder engagement, jurisdictional approaches and increased supply chain transparency.

Clear links exist between good governance and forest protection, especially in tropical forest countries. Knowledge of the extent and nature of non-compliance in forest conversion and an understanding of contributing factors is essential to determining how reforms and strengthened law enforcement could help reduce non-compliant forest clearance while also supporting smallholder legality and Sustainable Development Goals (SDGs). In Indonesia, multiple overlapping legal frameworks, frequent regulatory adjustments, variable levels of law enforcement, and poor awareness of laws at subnational levels mean that the extent of non-compliance is substantial. Clarification of legal frameworks for forest conversion, elimination of illegality from supply chains, and promotion of legal commodity trade has the potential to contribute significantly to NDC targets and improved land and forest governance, while also supporting progress towards SDGs.

Sustainability standards and corporate sustainability commitments have already been instrumental in promoting progress towards social and environmental goals in agriculture and forestry in Indonesia. However, to achieve forest-related NDC targets, there is a critical need for including larger geographical areas and a wider range of public and private actors. In addressing these needs, jurisdictional sustainability approaches in conjunction with increased supply chain transparency and trade related measures provide the opportunity to incentivize jurisdictions in halting deforestation and transitioning to sustainable systems of production.

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<sup>1</sup> Transparent supply chains for sustainable economies (<https://trase.earth/>)

<sup>2</sup> See the webpage of the EU REDD Facility on the Terpercaya Study: Tracking sustainable palm oil and defining jurisdictional sustainability at scale in Indonesia: <http://www.euredd.efi.int/publications/tracking-sustainable-palm-oil-and-defining-jurisdictional-sustainability>

<sup>3</sup> Tropical Forest Alliance 2020 (2017) Commodities and Forest Agenda 2020: Ten priorities to remove tropical deforestation from commodity supply chains. World Economic Forum.

By defining jurisdictional sustainability and disseminating information on associated indicators, commodity sourcing decisions facilitated by increased supply chain transparency can support jurisdictions in transitioning to sustainability. Inclusion of forest protection indicators based on compliance with clarified definitions of forest conversion legality can enhance support for zero deforestation commodity production, and promote progress towards NDC goals.

EFI's support for land and forest governance in Indonesia has expanded beyond the VPA to include jurisdictional approaches to legality and sustainability, and supply chain transparency efforts implemented in partnership with the Trase consortium. Instituting a nationwide jurisdictional monitoring system and establishing links between timber and palm oil supply chain related initiatives are now priorities in promoting sustainable and legal commodity production in Indonesia.

Therefore, EFI will engage a contractor to undertake the following assignment:

### **1.3. Objective**

The objectives of this assignment are to

1. Support development of an Indonesian jurisdictional sustainability monitoring system
2. Support efforts to define legal deforestation and track compliance at the jurisdiction level in Indonesia
3. Support efforts to resolve land and forest related legality issues and achieve jurisdictional sustainability in Indonesia

The main outputs of this assignment include:

1. An Indonesian jurisdictional sustainability monitoring system hosted by a relevant Government ministry and including data on indicators agreed by key stakeholders for >90 districts in Indonesia
2. An assessment of land and forest legality issues in Indonesia and materials to support assessment, comprehension and resolution of forest and land use legality issues.

### **1.4. Scope and tasks**

The scope of this assignment includes supporting a multi-stakeholder committee to establish and coordinate an Indonesian jurisdictional sustainability monitoring system, and supporting efforts to clarify and strengthen implementation of laws promoting forest protection. The proposed work builds on two initiatives implemented in 2018-19. First, a partnership with the Trase consortium (GC & SEI) to elucidate palm oil supply chains between importing countries and producers in Indonesia, and establish district and provincial level indicators to track progress towards sustainability in Indonesia (Terpercaya).<sup>4</sup> Terpercaya supports a multi-stakeholder Advisory Committee in developing and implementing a framework and indicators for jurisdictional sustainability monitoring as a means for districts and provinces to gain market recognition for their efforts to transition towards sustainable commodity production. Second, EU REDD Facility supported work undertaken by Climate Focus and INOBU on 'The potential contribution of legal frameworks to achieving forest related NDC targets in Indonesia.' This work assessed the Indonesian legal framework for forest conversion and the extent of non-compliance to help determine whether forest related NDC targets could be attained through full legal compliance while supporting smallholder legality and socio-economic goals.

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<sup>4</sup> Tracking sustainable palm oil and defining jurisdictional sustainability (Terpercaya)  
<http://www.euredd.efi.int/publications/tracking-sustainable-palm-oil-and-defining-jurisdictional-sustainability>

The assignment will involve collaboration with EU REDD Facility partners working on palm oil supply chain transparency, EU FLEGT Facility, and an contractor working on legal frameworks for forest conversion in production areas under a separate contract with EFI.

The assignment will comprise the following tasks with delivery split into two phases: 1. before the end of 2019 and 2. in 2020(see timing and deliverables section below):

### **Component A: Supporting establishment of an Indonesian jurisdictional sustainability monitoring system**

Component A. aims to support establishment of a technically sound Indonesian jurisdictional sustainability monitoring system developed through a multi-stakeholder participatory process. The system should respond to the information needs of multiple supply chain actors, from producers in Indonesian Districts to consumers demanding sustainable commodity production and 'zero' deforestation in EU Member States and other countries. It should be developed in close consultation with key stakeholders, a host Ministry, organisations working on supply chain transparency in Indonesia, district level government and civil society organisations and leading private sector actors involved in forest risk commodity supply chains.

#### *A.1 Support Terpercaya Advisory Committee*

1. Support an identified host agency to institutionalise Terpercaya through briefings and small group training in key areas related to jurisdictional sustainability and supply chain traceability. The host institution should have some or all of the following features:
  - A mandate relevant to jurisdictional sustainability, and ownership of relevant data and databases;
  - A prominent role in cross-sectoral coordination at national and sub-national levels;
  - Responsibilities relevant to sustainability, e.g. in relation to forests, land, agriculture/plantation crops, climate change, district level planning, customary rights, etc.
  - Experience with relevant national information systems, and connection to programmes and policies relevant to Terpercaya.
2. Support the Terpercaya Advisory Committee in developing and establishing an Indonesian jurisdictional sustainability monitoring system through holding at least six meetings at regular intervals over the course of the contract.
3. Liaise with relevant government ministries and other agencies, and organisations, using suitable interlocutors where necessary, to facilitate Terpercaya engagement.

#### *A.2 Support development of a consolidated definition of jurisdictional sustainability at district level and associated indicators*

4. Through Terpercaya Advisory Committee consultations, focus group discussions and expert meetings undertaken as part of task A.1, develop a consolidated multi-stakeholder definition of sustainability at district level, and associated indicators based on the draft list of 22 Terpercaya indicators (see below). Development of the indicators should take into account:
  - Technical feasibility of collecting data on selected jurisdictional sustainability indicators across districts in Indonesia.

- The latest developments and data collection processes regarding ISPO, RSPO, SDGs, Trase, RED2 and other relevant processes.
  - Design and development of indicators on land and forest legality outlined in component B (below).
5. Draft a report on options for collection of Terpercaya indicator data.

*A.3 Collect Terpercaya indicator data available at the national level*

6. Collect Terpercaya indicator data at the national level by accessing existing databases, securing consent from data owning ministries, and developing and testing relevant data collection instruments and protocols. Where data is not currently available at the national level, proposals should be made for establishment of appropriate data collection processes. Data should be collected for the following and other indicators based on Terpercaya Advisory Committee consultations:

- 1) Permanent forest protection
- 2) Protection of areas important for ecological services
- 3) Fire prevention
- 4) Peatland protection
- 5) Climate change mitigation
- 6) Production forests managed sustainably
- 7) Water and air pollution control
- 8) Free Prior and Informed Consent
- 9) Customary rights recognition
- 10) Conflict resolution
- 11) Smallholder share
- 12) Smallholder registration
- 13) Smallholder productivity
- 14) Smallholder organisation
- 15) Smallholder support
- 16) Responsible palm oil industry (including ISPO and RSPO)
- 17) Rural employment
- 18) Proportion of district budget allocated for sustainability
- 19) Public information access
- 20) Multi-stakeholder participation in planning
- 21) Complaint mechanism
- 22) Sustainable land-use planning

7. Develop a manual summarizing the steps and methodology for data collection to support collection of Terpercaya indicator data

*A.4 Validate Terpercaya indicators at the district level and support development of district data collection capacity*

8. Undertake focus group discussions in three - four districts to validate Terpercaya indicators, ensure their appropriateness in measuring jurisdictional sustainability, and to confirm accuracy of available data.
9. Assess means of measuring land and forest governance capacity at the jurisdiction level taking into account capacity of district and province level government, FMUs under the Kepala Dinas, and district government, etc. and collect available information on district level capacity where easily available.

10. Develop guidance to support collection of Terpercaya indicator data at the district level.
11. Sub-contract local technical support to collect data in three to four districts across six provinces.

*A.5 Develop a Terpercaya data platform in partnership with a mandated national institution*

12. Design and develop a user-friendly data storage and retrieval system for use by government agencies, companies and civil society. The system should meet the following specification:
  - developed with the full, documented support of the Terpercaya Advisory Committee and Terpercaya host institution;
  - web-based and compatible with the latest versions of web browsers commonly used in Indonesia and internationally;
  - simple enough to rapidly convey information to a wide range of Bahasa Indonesia and English-speaking stakeholders;
  - incorporate role-based permissions and associated security to allow publicly accessible and restricted features.

*A.6 Raise awareness of Terpercaya*

13. Develop and disseminate information materials in different relevant formats to raise awareness of Terpercaya in Indonesia and EU and other markets, including.
  - Four technical briefs;
  - Two national level outreach meetings in Indonesia;
  - One short promotional video in Bahasa Indonesia and English.
  - Two district level stories highlighting impacts of sustainable and legal land and forest use on local livelihoods and environmental protection.

*A.7 Document Terpercaya lessons*

14. Document key stages in the development of Terpercaya to guide other countries and jurisdictions in developing similar systems, and produce a report of no more than 40 pages.

**Component B: Defining and tracking permanent forest protection**

Component B. aims to define forest conversion legality in a way that reflects the Indonesian legal framework, stakeholder values and data availability; assess compliance according to the definition across >90 districts in Indonesia; and support efforts to resolve land and forest legality issues as a foundation for sustainability, smallholder livelihood development, and NDC target achievement.

*B.1 Develop forest conversion legality definition/s*

15. Coordinate consultation through the Terpercaya Advisory Committee, national consultation meetings, focus group discussions and expert meetings to define forest conversion legality including in relation to substantive and procedural infractions, and land clearance method, and giving special attention to smallholders and customary groups. Efforts should be made to reach consensus including in relation to the following principles:

- i. **Legal clarity.** Legality indicators need to reflect clear and unambiguous legal requirements. If an area of the law is unclear, for example due to conflicting legislative provisions, clarification may be needed.
- ii. **Verifiability.** Criteria are useful only insofar indicators are available, and compliance can be verified through an independent examination of documentary evidence.
- iii. **Stability.** Where the law or legal designations, for example of land and forest area, change frequently, this can lead to uncertainty for supply chain actors.
- iv. **Fairness and legitimacy.** A strict interpretation of the law can in some cases lead to unfair outcomes that may be considered illegitimate by relevant actors. Legality indicators should seek to encourage resolution of such issues and avoid compounding existing injustices.
- v. **Gravity of infraction and relevance to deforestation** (and degradation). Legality indicators should seek to include at least the most serious crimes and infractions.

The legality definition should cover Conservation, Protection, Production, Limited Production and Conversion Forests; Forests in APL land; Customary Forests; and Private Forests. Particular focus should be given to production forests, and work should be undertaken in collaboration with other contractors working with EFI and should build on their outputs.

#### *B.2 Develop jurisdictional forest protection indicator/s*

16. Through the above consultation and legal analysis, develop jurisdictional forest conversion legality indicators for application across Indonesia covering the following:
  - Conservation, Protection, Production, Limited Production and Conversion Forests; Forests in APL land; Customary Forests, Private Forests;
  - Regulations related to (i) Slope, (ii) Riverine and lacustrine restrictions; (iii) forest conversion in relation to spatial and temporal boundaries of agricultural (HGU), forest (HTI) and loan use concessions; (iv) State forestland; (v) Forest and peatland moratoria; (vi) forest conversion method; (vii) Product specific legality requirements, taking into account timber (IPK, HTI), oil palm (HGU), and other key commodities.

#### *B.3 Assess forest conversion legal compliance across >90 districts between 2006 and 2018*

17. In consultation with the General Directorate of Planning, Ministry of Environment and Forestry, collate data layers on oil palm area, other industrial plantation crops, and other land cover and land administration data from reliable, Government approved sources, including information accessible through Trase and partners.
18. Spatially quantify compliance with forest conversion indicators defined in B2 in >90 districts across six provinces, building on previous EFI supported work in pilot districts. Selection of districts and provinces should be based on importance in terms of palm oil and other forest risk commodity production, existence of remaining forests and geographical spread.
19. Sub-contract local technical support to collect data in six districts across six provinces, and conduct ground truthing.
20. Contribute to crosscheck of results of spatial analysis with IPK permits, and associated timber volumes and areas based on information provided by EFI from two provinces.

21. Conduct indicative analysis from available data sources of forest conversion compliance before 2006.

*B.4 Estimate emissions reductions from clarification and implementation of legal frameworks*

22. In consultation with the General Directorate of Climate Change, Ministry of Environment and Forestry and based on B3 and available information on carbon stock changes resulting from deforestation, estimate carbon emissions reduction potential from full legal compliance in Indonesia.

23. Estimate future emissions reduction from full legal compliance based on past trends in annual rates of illegal deforestation and simple projections based on broad assumptions related to prospects for forest protection and rehabilitation, and compare with subnational Forest Reference Emissions Levels.

24. Draft a report on forest protection in Indonesia and emissions reduction from legal compliance based on analyses in B3 and B4 and two policy briefs on forest conversion legality and climate change mitigation respectively.

*B.5 Develop and test district guidance on land and forest related legal frameworks*

25. Develop district guidance/Standard Operating Procedures (SOP) on forest and land use legal frameworks to support districts in implementing land and forest based activities in compliance with the regulatory framework and in alignment government programmes and major civil society led efforts

26. Develop district guidance/SOP on resolving legality issues in forest areas to support districts in moving towards legal and sustainable commodity production and reducing emissions from deforestation and degradation. Guidance should take into account agrarian reform (TORA); social forestry programme, Presidential Decree 88, 2017 on Settlement of Tenure inside Forest Areas; enclave recognition, customary group recognition and customary forest claims; technical solutions (e.g. agroforestry); enforcement; exchange of deforested areas with forested areas outside of state forestland, etc.

*B.6 Assess legal instruments to resolve legality issues and implement the NDC at district level*

27. In collaboration with the Ministry of Environment and Forestry, analyse legal instruments including AMDAL, DDDTLH, KLHS, RPPLH, and licences such as HGU, logging permit, etc. to reduce emissions through legal compliance and support district level NDC implementation.

28. Draft a report on instruments to strengthen implementation of the legal framework, resolve land and forest related legality issues and support achievement of NDC targets at the district level.

**Methodology**

- Collation of information on legal frameworks relevant to deforestation in Indonesia, interviews with key informants;
- Assessment of legal and illegal deforestation in Indonesia including field based evaluation combined with spatial assessment in districts and provinces;
- Organisation of relevant meetings and workshops at appropriate points in time during performance of the task to seek stakeholder inputs and build interest among stakeholders as the work progresses;
- Participation in relevant meetings and workshops at appropriate points in time during performance of the task to seek stakeholder inputs and build interest among stakeholders as the work progresses;

### Timing and deliverables

The Contractor will deliver the following outputs over a period of up to eighteen months split into two phases. The second phase will start in 2020 only after written confirmation from EFI.

No.	Deliverable	Phase	
		Phase 1	Phase 2
1.	At least six Terpercaya Advisory Committee meetings and high quality minutes (A1)	2 meetings	4 meetings
2.	At least four FGDs <sup>5</sup> related to Terpercaya Advisory Committee business and high quality minutes (A1)	1 FGD	3 FGDs
3.	List of Terpercaya indicator for data collection (A2)		
4.	Report on options for data collection (A2)		
5.	Terpercaya indicator data (A3)	V1.0	V2.0
6.	Manual summarizing methodology for Terpercaya indicator data collection (A3)	V1.0	V2.0
7.	Proposal for collection of data not available at national level (A3)		
8.	At least three district level FGDs to validate Terpercaya indicators (A4)		
9.	Report on district level indicator validation (A4)	V1.0	V2.0
10.	Report on measuring district land and forest governance capacity (A4)	V1.0	V2.0
11.	Guidance for Terpercaya indicator data collection at the district level (A4)		
12.	Three FGDs on data platform development (A5)	1 FGD	2 FGDs
13.	Design specification for web-based Terpercaya data storage and retrieval system (A5)		
14.	A user friendly web-based Terpercaya data storage and retrieval system (A5)		
15.	Four technical briefs (A6)	1 brief	3 briefs
16.	Two national level outreach meetings in Indonesia (A6)	1 meeting	1 meeting
17.	One short promotional video in Bahasa Indonesia and English (A6)		
18.	Report on Terpercaya key lessons (A7)		
19.	Two national consultations on forest conversion legality and high quality minutes (B1)	1 consultation	1 consultation
20.	At least three FGDs on forest conversion legality and high quality minutes (B1)	1 FGD	2 FGDs
21.	Report on defining forest conversion legality (B1)		
22.	Forest protection indicators (B2)		
23.	Spatial assessment of forest protection across >90 districts (B3)		
24.	Report on forest protection in Indonesia based on spatial assessment (B3)		

<sup>5</sup> Focus Group Discussions

25.	Six FGDs on forest conversion compliance in six districts across six provinces (B3)	2 FGDs	4 FGDs
26.	Report on estimation of emissions reduction from legal compliance (B3/B4)		
27.	Two policy briefs on forest conversion legality and climate change mitigation (B4)		
28.	District guidance/SOP on forest and land use legal frameworks (B5)		
29.	District guidance/SOP on resolving legality issues in forest areas (B5)		
30.	Report on instruments to strengthen legal framework implementation, resolve forest legality issues and support NDC at the district level (B6)		

All reports are to be produced in English and the final reports will take into account comments provided by EFI on the draft reports. Following submission of the final reports EFI will arrange editing and the Contractor will need to respond where clarifications may be required during this editing process.

Final reports will be submitted in electronic version (MS Word and pdf format, with any data tables in Excel format to provide a clear understanding of the analyses done, and with all pictures, charts etc. from the report and annexes also provided separately in their original file format). When preparing graphs, charts and maps, attention should be paid to the colours and patterns selected so that they can be read in non-colour printouts. Where maps are included in reports, care should be taken to show internationally accepted borders between countries. Sources and references for information, data and statistics used should be properly cited. All tables, maps and graphs should include titles in English.

## 2. TENDER DOCUMENTATION

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### 2.1. Administrative Documentation

The tender shall include the following documentation, properly filled out and signed:

- Cover letter (Annex 1)
- Identification form (Annex 2) including supporting documentation
- Bank identification form (Annex 2a)
- Declaration on Exclusion Criteria and Absence of Conflict of Interest (Annex 3)
- Nomination of Experts form (Annex 4)
- Minimum criteria declaration (Annex 5)

The consortium agreement (Annex 6) shall be included, properly filled out and signed, if the tender is submitted jointly by a consortium of economic operators. The consortium agreement (Annex 6) shall not be included if the tender is submitted by a single Tenderer proposing subcontracting of tasks.

### 2.2. Technical Proposal

In order to evaluate the tender against the minimum criteria and the award criteria A.I. – A.II in section 3.1. and 3.2., the Tenderer shall submit a technical proposal consisting only of the following elements:

**1) A nomination** of the following Experts to carry out the tasks in the Terms of Reference:

Mandatory

- **one Team Leader (Expert)**
- **one or more Legal Experts**
- **one or more GIS Experts**

The Technical Proposal shall include CV's of the nominated Experts.

The Tenderer shall be able to certify the information contained in the CV's for the nominated Experts at EFI's request.

Optionally

- **one or more additional Experts**

The Technical Proposal shall include CV's of the nominated Experts.

The Tenderer shall be able to certify the information contained in the CV's for the nominated Experts at EFI's request.

**2) A description** of no more than four pages – **making reference to the Terms of Reference and the previous experience of the nominated Experts** – demonstrating understanding of:

- Land use and forest sector dynamics in Indonesia (legislation, policies and programmes) and the main challenges to sustainable land and forest management and reducing deforestation and forest degradation.
- The roles of forest governance, legal compliance, land tenure, transparency, market forces and local people's rights in reaching land and forest management objectives.

- Legal processes for land allocation, licensing, forest relinquishment and forest conversion/clearance in Indonesia;
  - Multi-stakeholder participatory process role and function in the development of jurisdictional sustainability monitoring system.
- 3) A description of no more than six pages on the Tenderer’s methodology for the assignment – building upon the Terms of Reference and the experience of the nominated Experts – addressing the following elements:**
- Overall approach to establishing an Indonesian jurisdictional sustainability monitoring system;
  - Overall approach to assessing forest conversion legality in Indonesia;
  - Approach to collating data on jurisdictional sustainability indicators at the national and district level;
  - Approach to assessing the spatial extent of compliance/non-compliance in forest conversion and for estimating emissions reductions from clarification and implementation of legal frameworks;
  - Stakeholder engagement at national, provincial and local levels in Indonesia;
  - Timing and sequence of activities and deliverables, indicating the approximate allocation of time per nominated Expert for each activity.

### **2.3. Financial Proposal**

The Tenderer shall submit a financial proposal, which shall be completed by using the form in annex 7 and by following the instructions therein. The maximum value of the contract covering all costs related to the implementation of the assignment including travel is EUR 350,000.

The full general conditions applicable to the payment of fees and per diem as well as the reimbursement of costs can be found in annex 8 (draft contract).

### 3. EVALUATION OF TENDERS AND AWARD OF THE CONTRACT

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#### 3.1. Minimum Criteria

The **Tenderer** nominated must meet the following criteria:

N°	Criteria description
M.I.	Demonstrated experience in national and subnational level policy processes in Indonesia, applied policy and legal analysis, spatial analysis applied to forest and land use planning and management, and stakeholder engagement in forestry, land use, and climate change in Indonesia.
M.II.	Experience from last three (3) years of implementing one or several contracts with similar services with an overall budget of at least EUR 300,000.

The **Team Leader** nominated must meet the following criteria:

N°	Criteria description
M.III.	Advanced university degree (Master's degree or equivalent) in natural resources management, forestry, environmental policy or a relevant, directly related discipline.
M.IV.	Five (5) years' demonstrated experience leading and coordinating projects in Indonesia in the context of forestry and/or land use and/or climate change.
M. V.	Experience supporting multi-stakeholder approaches balancing the interests of international, national and local stakeholders representing civil society, private sector and government.
M.VI.	Understanding, speaking and writing English and Bahasa Indonesia as demanded with respect to all tasks covered by the Terms of Reference in this Tender.

One **Legal Expert** must meet the following criteria:

N°	Criteria description
M. VII.	Advanced university degree (Master's degree or equivalent) in environmental law or a relevant, directly related discipline
M. VIII.	Five (5) years' demonstrated experience leading and coordinating policy and legal analyses in Indonesia in the context of forestry and/or land use and/or climate change.
M. IX.	Understanding, speaking and writing English and Bahasa Indonesia as demanded with respect to all tasks covered by the Terms of Reference in this Tender.

One **GIS Expert** must meet the following criteria:

N°	Criteria description
M.X.	University degree in spatial analysis applied to forest and land use planning and management.
M. XI.	Five (5) years' demonstrated experience in conducting spatial analysis (including GIS work) in the context of forestry and land use in Indonesia.

**Tenders not fulfilling the minimum criteria will be rejected.**

### 3.2. Award Criteria

Tenders fulfilling the minimum criteria will be evaluated using the following award criteria:

<b>A. Technical component (maximum 75 points)</b>		
N°	Award criteria	Max points
<b>A.I.</b>	<b>Understanding of:</b>	<b>40</b>
i.	Land and forest sector dynamics in Indonesia and the main challenges to sustainable land and forest management and reducing deforestation and forest degradation.	10
ii.	The roles of forest governance, legal compliance, land tenure, transparency market forces and local people's rights in reaching land and forest management objectives.	10
iii.	Legal processes for land allocation, licensing, forest relinquishment and forest conversion/clearance in Indonesia.	10
iv.	Multi-stakeholder participatory process role and function in the development of jurisdictional sustainability monitoring system..	10
<b>A.II.</b>	<b>Proposed methodology for the implementation of the tasks</b>	<b>35</b>
i.	Overall approach to establishing an Indonesian jurisdictional sustainability monitoring system.	8
ii.	Approach to collating information and data on jurisdictional sustainability indicators at the national and district level	5
iii.	Overall approach to assessing forest conversion legality in Indonesia.	8
iv.	Approach to assessing the spatial extent of compliance/non-compliance in forest conversion and for estimating emissions reductions from clarification and implementation of legal frameworks	5

v.	Stakeholder engagement at national, provincial and local levels in Indonesia	5
vi.	Timing and sequence of activities and deliverables, indicating the approximate allocation of time per team member for each activity.	4

The Technical component (TC) is calculated according to the following formula:

$$TC = A.I. + A.II.$$

**Tenders must receive a score of more than half of the maximum Technical component to be considered qualitatively acceptable.**

**Tenders not considered qualitatively acceptable will not be considered further.**

#### **B. Financial component (maximum 25 points)**

**Tenders presenting a total financial proposal (Fo) superior to the maximum contract value of EUR 350,000 (three hundred and fifty thousand) will not be considered further.**

For tenders being considered, the Financial component (F) is calculated according to the following formula:

$$F = (Fmin / Fo) \times 25$$

where

**Fmin** is total sum in the tender in the evaluation with the lowest total financial proposal; and

**Fo** is the total sum in the financial proposal being considered.

#### **C. Most economically advantageous tender**

A combined score (CS) will be calculated according to the following formula:

$$$$

$$\text{CS} = \text{TC} + \text{F}$$

The Tenderer with the highest combined score (CS) for Technical component (TC) and Financial component (F) will be awarded the Contract.

Where two or more tenders have an equal combined score the contract will be awarded according to the highest score for the financial component (F).

## **ANNEXES**

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Annex 1	Cover letter
Annex 2	Identification form
Annex 2a	Bank identification form
Annex 3	Declaration on exclusion criteria and absence conflict of interest
Annex 4	Nomination of Experts form
Annex 5	Minimum criteria declaration
Annex 6	Consortium agreement
Annex 7	Financial Proposal form
Annex 8	Model contract
Annex 9	EC Per diem rates