

## **Request for Proposals**

**Title: Consultant for Developing Sustainable Financing Mechanism for BTFE Protection and Restoration project**

**RFP No: KI-001/XI/2024**

**Date of Issuance: 04 Nov 2024**

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### **1. Background**

The Batang Toru Forest Ecosystem (BTFE) in North Sumatra, Indonesia and covers over 240,000 hectares of forest in three districts, namely: South Tapanuli, North Tapanuli and Central Tapanuli. These areas known as the last frontier of intact forest in North Sumatra province, the area is home to globally and locally significant biodiversity, including the critically endangered Tapanuli orangutan and other mammals such as Sumatran tiger and pangolin. The area also contains valuable resources such as minerals, energy and agroforestry products such as coffee, rubber, benzoin, bananas and cocoa, which support the well-being and livelihoods of local communities of 300.9111 people in 196 villages in the region.

In addition, the ecosystem provides critical freshwater resources that support smallholder agriculture throughout the Tapanuli region, including agroforestry in unplanned areas and palm oil plantations in the lowlands. A 2021 study by Conservation International (CI) found that water from BTFE helps maintain water levels in lowland peatlands, which is critical to minimising the risk of peatland fires and preventing the release of carbon.

The governance of the BTFE is complex and needs some improvement in several aspects such as coordination and implementation. As a result, some parts of the forest have become fragmented, reducing habitat for endangered wildlife and undermining vital ecosystem services. Building on our long-standing presence and strong relationships with key stakeholders, Konservasi Indonesia (KI) has facilitated a multi-stakeholder collaboration to improve BTFE conservation. This collaboration, led by the provincial government's development planning agency (BAPPEDA) in North Sumatra province and now it has been working to develop an integrated management plan for BTFE. The first draft of the Integrated Management Plan has been developed and consulted with partners of BTFE initiative. Through this project, KI along with partners and local stakeholders aim to protect and restore critical forests and habitats in the BTFE areas by supporting the adoption and long-term financing of the BTFE Integrated Management Plan, and by building the capacity of key stakeholders to ensure effective implementation, management and monitoring of the BTFE.

### **2. Project Overview**

The consultant will be based in Medan/Jakarta and will play a key role in identifying the long-term financial sustainability of the Batang Toru Forest Ecosystem (BTFE) project. The position requires a highly qualified professional with expertise in sustainable public and private finance, environmental economics, and stakeholder engagement. The consultant will be responsible for exploring and designing a robust financing mechanism to ensure ongoing support for conservation and restoration activities within the BTFE areas.

The primary objective of the consultancy is to establish a robust and adaptable financing mechanism that can secure long-term funding for the conservation and management of the Batang Toru Forest

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<sup>1</sup> South Tapanuli District in Figures 2023, p. 52.: [Kabupaten Tapanuli Selatan Dalam Angka 2023 - Badan Pusat Statistik Kabupaten Tapanuli Selatan \(bps.go.id\)](https://bps.go.id)

Ecosystem (BTFE). This will be focusing on identifying the appropriate mechanism such as public service agency/ Badan Layanan Umum Daerah (BLUD), cooperative, business entity, etc. needed to manage potential revenue streams from various source of funding such as CSR (Corporate Social Responsibility) programs, environmental grants/loans, banks, philanthropy, technical assistance, carbon credit, biodiversity credit, commodity value added and certification, green bonds, investments, as well as other financial instruments.

This work is critical to ensuring that the BTFE project has the financial resources and institutional support necessary to protect and restore the ecosystem for years to come.

**3. Terms of Reference, Deliverables and Deliverables Schedule** (This may be included here or as an attachment to the RFP, particularly if the terms of reference is quite long (See Attachment 2))

**4. Submission Details**

- a. Deadline. Proposals must be received no later than 15 November 2024 at 16.00 Jakarta Time. Late submissions will not be accepted. Proposals must be submitted via email to [imanalu@konservasi-id.org](mailto:imanalu@konservasi-id.org) cc to: [wardana@konservasi-id.org](mailto:wardana@konservasi-id.org) and [grantcontractid@konservasi-id.org](mailto:grantcontractid@konservasi-id.org). All proposals are to be submitted following the guidelines listed in this RFP.
- b. Validity of bid. 120 days from the submission deadline
- c. Clarifications. Questions may be submitted to [imanalu@konservasi-id.org](mailto:imanalu@konservasi-id.org) cc to: [wardana@konservasi-id.org](mailto:wardana@konservasi-id.org) and [grantcontractid@konservasi-id.org](mailto:grantcontractid@konservasi-id.org) by the specified date and time in the timeline below. The subject of the email must contain the RFP number and title of the RFP. KI will respond in writing to submitted clarifications by the date specified in the timeline below. Responses to questions that may be of common interest to all bidders will be posted to the KI website and/or communicated via email.
- d. Amendments. At any time prior to the deadline for submission of proposals, KI may, for any reason, modify the RFP documents by amendment which will be posted to the KI website and/or communicated via email.

**5. Minimum Requirements**

The successful applicant must demonstrate strong professional competency and hold relevant academic credentials with extensive experience in designing and implementing sustainable financing mechanisms with public and private entities. Specifically, the applicant should meet the following requirements:

- A master's degree in finance, agroforestry, environmental and economic development, public administration, business management. An advanced degree (master's or equivalent) will be an advantage.
- A minimum of 10 years of relevant professional experience related to public and private finance, investment, and financial modelling.
- Experience working with a diverse range of stakeholders, including government agencies, private sector companies, financial institutions, firms, NGOs, and local communities.
- Proven track record of building and managing partnerships that secure long-term funding and institutional support.



- Strong communication and negotiation skills to ensure stakeholder alignment and collaboration.
- Understanding of the legal and regulatory frameworks related to establishing public service agencies, cooperatives or business entity and other sustainable finance structure, in Indonesia.
- Understanding of conservation practices, ecosystem services, and natural resource management, particularly in the context of forest ecosystems.
- Familiar with biodiversity conservation programs, habitat restoration activities, and community-based natural resource management.
- Proficiency in English and Bahasa Indonesia
- Excellent written and verbal communication skills, with the ability to produce clear and concise reports, presentations, and documentation.

**6. Proposal Documents to Include**

- a. Signed cover page on bidder's letterhead with the bidder's contact information.
- b. Signed Representation of Transparency, Integrity, Environmental and Social Responsibility (Attachment 1)
- c. Technical Proposal.
  - i. Corporate Capabilities, Experience, Past Performance, and 3 client references. Please include descriptions of similar projects or assignments and at least three client references.
  - ii. Qualifications of Key Personnel. Please attach CVs that demonstrate how the team proposed meets the minimum requirements listed in section 5 (Minimum Requirements).
  - iii. Technical Approach, Methodology and Detailed Work Plan. The Technical Proposal should describe in detail how the bidder intends to carry out the requirements described in the Terms of Reference ([indicate Section 3 or Attachment 2](#)). ([Add specific requirements needed in the Technical Proposal here. Include page limit if appropriate](#))
- d. Financial Proposal. Offerors shall use the cost proposal template ([Attachment 3](#)).

**7. Evaluation Criteria** In evaluating proposals, KI will seek the best value for money considering the merits of the technical and costs proposals. Proposals will be evaluated using the following criteria:

(The evaluation table below is a sample only. Add to or adjust the Evaluation Criteria below and associated scoring to fit the assignment. Adjust the scoring to match your needs. It should be as detailed as needed to ensure the best proposal is selected. It may include for example, evaluation of individual personnel qualifications, specialized knowledge, etc.

Proposals will be evaluated **ONLY** against the Evaluation Criteria in the RFP (no other evaluation criteria may be considered for selection).

<b>Evaluation Criteria</b>	<b>Score (out of 100)</b>
Detail workplan with high level summary of existing landscape financing mechanism (mechanism and governance) in Indonesia	<b>25%/ Max points</b>



A draft of BTFE financing mechanism and governance based on funding opportunities for the landscape and existing landscape governance	50%/ Max points
Final report with recommendations on the most feasible financing mechanism which covers governance and the funding sources	25%/ Max points

**8. Proposal Timeline** (Please add other solicitation events to this timeline if applicable such as interviews or demos).

RFP Issued	04 Nov 2024
Clarifications submitted to KI	13 Nov 2024
Clarifications provided to known bidders	13 Nov 2024
Complete proposals due to KI	15 Nov 2024
Final selection	19 Nov 2024

**9. Resulting Award** KI anticipates entering into an agreement with the selected bidder by **November 2024**. Any resulting agreement will be subject to the terms and conditions of KI's Services Agreement. A model form of agreement can be provided upon request.

This RFP does not obligate KI to execute a contract, nor does it commit KI to pay any costs incurred in the preparation or submission of the proposals. Furthermore, KI reserves the right to reject any and all offers, if such action is considered to be in the best interest of KI. KI will, in its sole discretion, select the winning proposal and is not obligated to share individual evaluation results.

**10. Confidentiality** All proprietary information provided by the bidder shall be treated as confidential and will not be shared with potential or actual applicants during the solicitation process. This includes but is not limited to price quotations, cost proposals and technical proposals. KI may, but is not obliged to, post procurement awards on its public website after the solicitation process has concluded, and the contract has been awarded. KI's evaluation results are confidential and applicant scoring will not be shared among bidders.

**11. Code of Ethics** All Offerors are expected to exercise the highest standards of conduct in preparing, submitting and if selected, eventually carrying out the specified work in accordance with KI's Code of Ethics [for GCF-funded projects only, add: "and the Green Climate Fund's [Policy on Prohibited Practices](#)"]. Konservasi Indonesia's reputation derives from our commitment to our values: Integrity, Respect, Courage, Optimism, Passion and Teamwork. KI's Code of Ethics (the "Code") provides guidance to KI employees, service providers, experts, interns, and volunteers in living KI's core values, and outlines minimum standards for ethical conduct which all parties must adhere to. Any violation of the Code of Ethics, as well as concerns regarding the integrity of the procurement process and documents should be reported to KI via its Ethics Hotline at [www.ci.ethicspoint.com](http://www.ci.ethicspoint.com).

**12. Attachments:**

Attachment 1: Representation of Transparency, Integrity, Environmental and Social Responsibility  
Attachment 2: Terms of Reference



Attachment 3: Cost Proposal Template  
[Attachment X: any other attachments]

## **Attachment 1: Representation of Transparency, Integrity, Environmental and Social Responsibility**

RFP No. XXXXXXXX

UEI Number (if applicable): XXX-XXX-XXX

All Offerors are expected to exercise the highest standards of conduct in preparing, submitting and if selected, eventually carrying out the specified work in accordance with KI's Code of Ethics. KI's Code of Ethics provides guidance to KI employees, service providers, experts, interns, and volunteers in living KI's core values, and outlines minimum standards for ethical conduct which all parties must adhere to. Any violations of the Code of Ethics should be reported to KI via its Ethics Hotline at [www.ci.ethicspoint.com](http://www.ci.ethicspoint.com).

KI relies on the personal integrity, good judgment and common sense of all third parties acting on behalf, or providing services to the organization, to deal with issues not expressly addressed by the Code or as noted below.

### **I. With respect to KI's Code of Ethics, we certify:**

- a. We understand and accept that KI, its contractual partners, grantees and other parties with whom we work are expected to commit to the highest standards of Transparency, Fairness, and Integrity in procurement.

### **II. With respect to social and environmental standards, we certify:**

- a. We are committed to high standards of ethics and integrity and compliance with all applicable laws across our operations, including prohibition of actions that facilitate trafficking in persons, child labor, forced labor, sexual abuse, exploitation or harassment. We respect internationally proclaimed human rights and take no action that contributes to the infringement of human rights. We protect those who are most vulnerable to infringements of their rights and the ecosystems that sustain them.
- b. We fully respect and enforce the environmental and social standards recognized by the international community, including the fundamental conventions of International Labour Organization (ILO) and international conventions for the protection of the environment, in line with the laws and regulations applicable to the country where the contract is to be performed.

### **III. With respect to our eligibility and professional conduct, we certify:**

- a. We are not and none of our affiliates [members, employees, contractors, subcontractors, and consultants] are in a state of bankruptcy, liquidation, legal settlement, termination of activity, or guilty of grave professional misconduct as determined by a regulatory body responsible for licensing and/or regulating the offeror's business
- b. We have not and will not engage in criminal or fraudulent acts. By a final judgment, we were not convicted in the last five years for offenses such as fraud or corruption, money laundering or professional misconduct.
- c. We are/were not involved in writing or recommending the terms of reference for this solicitation document.



- d.** We have not engaged in any collusion or price fixing with other offerors.
- e.** We have not made promises, offers, or grants, directly or indirectly to any KI employees involved in this procurement, or to any government official in relation to the contract to be performed, with the intention of unduly influencing a decision or receiving an improper advantage.
- f.** We have taken no action nor will we take any action to limit or restrict access of other companies, organizations or individuals to participate in the competitive bidding process launched by KI.
- g.** We have fulfilled our obligations relating to the payment of social security contributions or taxes in accordance with the legal provisions of the country where the contract is to be performed.
- h.** We have not provided, and will take all reasonable steps to ensure that we do not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitate, or participated in terrorist acts, and we are compliant with all applicable Counter-Terrorist Financing and Anti-Money Laundering laws (including USA Patriot Act and U.S. Executive Order 13224).
- i.** We certify that neither we nor our directors, officers, key employees or beneficial owners are included in any list of financial or economic sanctions, debarment or suspension adopted by the United States, United Nations, the European Union, the World Bank, or General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension".

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment 2: Terms of Reference** (should include Deliverables table and schedule)

**TERMS OF REFERENCE (TOR)**

Position	Consultant for Developing Sustainable Financing Mechanism for BTFE Protection and Restoration project
Contract Duration	Three-month contract (19 November 2024 – 15 February 2025)
Duty Station	Medan, North Sumatra, with frequent travel to the project sites in Batang Toru or Jakarta
Reporting	The consultant will report primarily to Isner Manalu, Senior Field Program Manager for North Sumatra, and the Sustainable Finance Teams

**1. Position Summary**

The consultant will be based in Batang Toru, North Sumatra or Jakarta and will play a key role in identifying the long-term financial sustainability of the Batang Toru Forest Ecosystem (BTFE) project. The position requires a highly qualified professional with expertise in sustainable public and private finance, environmental economics, and stakeholder engagement. The consultant will be responsible for exploring and designing a robust financing mechanism to ensure ongoing support for conservation and restoration activities within the BTFE areas.

Key tasks will include determining funding needs for BTFE, identifying innovative funding pathways, engaging with relevant government, private sector such as firms, business/enterprises and local community stakeholders, and integrating potential funding sources into the BTFE management plan. The consultant will also work to establish sustainable financial structures, such as cooperatives, business entity, public service agency etc. which appropriately align with project activities and available funding opportunities from the government, Corporate Social Responsibility (CSR) programs, national and international donors as well as philanthropy in the form of grants, technical assistance, nature-based credit, green bonds or investments.

This work is critical to ensuring that the BTFE project has the financial resources and institutional support necessary to protect and restore the ecosystem for years to come.

**2. Project Background**

The Batang Toru Forest Ecosystem (BTFE) in North Sumatra, Indonesia and covers over 240,000 hectares of forest in three districts, namely: South Tapanuli, North Tapanuli and Central Tapanuli. These areas known as the last frontier of intact forest in North Sumatra province, the area is home to globally and locally significant biodiversity, including the critically endangered Tapanuli orangutan and other mammals such as Sumatran tiger and pangolin. The area also contains valuable resources such as minerals, energy and agroforestry products such as coffee, rubber, benzoin, bananas and cocoa, which support the well-being and livelihoods of local communities of 300.911<sup>2</sup> people in 196 villages in the region.

In addition, the ecosystem provides critical freshwater resources that support smallholder agriculture throughout the Tapanuli region, including agroforestry in unplanned areas and palm oil plantations in the lowlands. A 2021 study by Conservation International (CI) found that water from BTFE helps maintain water

<sup>2</sup> South Tapanuli District in Figures 2023, p. 52.: [Kabupaten Tapanuli Selatan Dalam Angka 2023 - Badan Pusat Statistik Kabupaten Tapanuli Selatan \(bps.go.id\)](https://bps.go.id)



levels in lowland peatlands, which is critical to minimising the risk of peatland fires and preventing the release of carbon.

The governance of the BTFE is complex and needs some improvement in several aspects such as coordination and implementation. As a result, some parts of the forest have become fragmented, reducing habitat for endangered wildlife and undermining vital ecosystem services. Building on our long-standing presence and strong relationships with key stakeholders, Konservasi Indonesia (KI) has facilitated a multi-stakeholder collaboration to improve BTFE conservation. This collaboration, led by the provincial government's development planning agency (BAPPEDA) in North Sumatra province and now it has been working to develop an integrated management plan for BTFE. The first draft of the Integrated Management Plan has been developed and consulted with partners of BTFE initiative. Through this project, KI along with partners and local stakeholders aim to protect and restore critical forests and habitats in the BTFE areas by supporting the adoption and long-term financing of the BTFE Integrated Management Plan, and by building the capacity of key stakeholders to ensure effective implementation, management and monitoring of the BTFE.

### **3. Objective**

The primary objective of the consultancy is to establish a robust and adaptable financing mechanism that can secure long-term funding for the conservation and management of the Batang Toru Forest Ecosystem (BTFE). **This will be focusing on identifying the appropriate mechanism** such as public service agency/ *Badan Layanan Umum Daerah* (BLUD), cooperative, , business entity, etc. needed to manage potential revenue streams from various source of funding such as CSR (Corporate Social Responsibility) programs, environmental grants/loans, banks, philanthropy, technical assistance, carbon credit, biodiversity credit, commodity value added and certification, green bonds, investments, as well as other financial instruments.

### **4. Output**

This contract will contribute to Outcome 3: the development of a sustainable financing scheme to ensure long-term funding for forest and biodiversity conservation in the Batang Toru Forest Ecosystem (BTFE) in North Sumatra, Indonesia. The scheme will be implemented through a public-private partnership to generate revenue streams for the protection and restoration of the forest and ecosystems in the project areas.

### **5. Scope of Work (SoW)**

The consultant is expected to assess potential **sustainable financing mechanism for BTFE by** carrying out the following tasks, but not limited to:

- Identify sustainable financing mechanism, including exploring different existing models in Indonesia and other countries with similar context such as public service models such as cooperatives, BLUD, business entity or other relevant structures to ensure the long-term sustainability of the protection and restorations activities.
- Identify funding opportunities (grant and investment based) and pathways to secure long-term funding from public and private entities i.e through CSR, environmental grants/loans, banks, philanthropy, technical assistance, green bonds or investments, and other financial instruments.
- Discuss and consults findings with relevant stakeholders in BTFE

## 6. Deliverables and Timeline

Deliverable	Activity	Dateline	Payment in percentage
Detail workplan with high level summary of existing landscape financing mechanism (mechanism and governance) in Indonesia	<ul style="list-style-type: none"> <li>- Project detail workplan</li> <li>- Presentation to KI team</li> </ul>	November 20 <sup>th</sup>	25%
A draft of BTFE financing mechanism and governance based on funding opportunities for the landscape and existing landscape governance	<ul style="list-style-type: none"> <li>- Meeting/consultation with stakeholders manage the similar landscape financing mechanism in Indonesia</li> <li>- Assess potential funding sources for financing BTFE</li> <li>- Meeting with stakeholders in North Sumatra on potential financing mechanism for BTFE</li> </ul>	January 15 <sup>th</sup>	50%
Final report with recommendations on the most feasible financing mechanism which covers governance and the funding sources	<ul style="list-style-type: none"> <li>- Stakeholder consultation on the draft</li> </ul>	February 15 <sup>th</sup>	25%

## 7. Funding

This activity will be funded by BTFE outcome 3 for sustainability finance activities

## 8. Requirements and Competencies

The successful applicant must demonstrate strong professional competency and hold relevant academic credentials with extensive experience in designing and implementing sustainable financing mechanisms with public and private entities. Specifically, the applicant should meet the following requirements:

- o A master's degree in finance, agroforestry, environmental and economic development, public administration, business management. An advanced degree (master's or equivalent) will be an advantage.
- o A minimum of five 5 years of relevant professional experience related to public and private finance, investment, and financial modelling.
- o Experience working with a diverse range of stakeholders, including government agencies, private sector companies, financial institutions, firms, NGOs, and local communities.
- o Proven track record of building and managing partnerships that secure long-term funding and institutional support.
- o Strong communication and negotiation skills to ensure stakeholder alignment and collaboration.
- o Understanding of the legal and regulatory frameworks related to establishing public service agencies, cooperatives or business entity and other sustainable finance structure, in Indonesia.



- Understanding of conservation practices, ecosystem services, and natural resource management, particularly in the context of forest ecosystems.
- Familiar with biodiversity conservation programs, habitat restoration activities, and community-based natural resource management.
- Proficiency in English and Bahasa Indonesia
- Excellent written and verbal communication skills, with the ability to produce clear and concise reports, presentations, and documentation.

## **9. Application Procedure**

Interested and qualified applicants should submit the following documents:

1. **Cover Letter:** A brief cover letter (maximum 2 pages) outlining your interest in the consultancy, relevant experience, and how your skills align with the required competencies.
2. **Curriculum Vitae (CV):** A detailed CV of you and your team members highlighting experience in sustainable financing, agroforestry and environmental protection and restoration, and other relevant experiences.
3. **Technical Proposal:** Maximum 4/5 pages describing your approach to fulfilling the Scope of Work, including key methodologies, timelines, and deliverables.
4. **Financial Proposal:** A financial proposal outlining your consultancy fees, and any additional costs required for completing the assignment. Please also send us relevant reports of your previous work on similar projects.
2. **References:** Contact details of two (2) professional references who can speak to your qualifications and commitments to accomplish the assignment.
3. **Submission Method:** All application materials must be submitted via email to [imanalu@konservasi-id.org](mailto:imanalu@konservasi-id.org) cc to: [wardana@konservasi-id.org](mailto:wardana@konservasi-id.org) and [grantcontractid@konservasi-id.org](mailto:grantcontractid@konservasi-id.org) with the subject line: Consultant Application – Sustainable Financing for BTFE.
4. **Application Deadline:** 15 November 2024 at 16:00 Jakarta time.
5. **Expected Start Date:** A.S.A.P

### Attachment 3: Cost Proposal Template

The cost proposal must be all-inclusive of profit, fees or taxes. Additional costs cannot be included after award, and revisions to proposed costs may not be made after submission unless expressly requested by CI should the offerors proposal be accepted. Nevertheless, for the purpose of the proposal, Offerors must provide a detailed budget showing major expense line items. Offers must show unit prices, quantities, and total price. All items, services, etc. must be clearly labeled and included in the total offered price. All cost information must be expressed in [Rupiah](#).

If selected, Offeror shall use its best efforts to minimize the financing of any taxes on goods and services, or the importation, manufacture, procurement or supply thereof. If Offeror is eligible to apply for refunds on taxes paid, Offeror shall do so. Any tax savings should be reflected in the total cost.

#### Cost Breakdown by Deliverable

Deliverable	Price (Lump Sum, All Inclusive)
<a href="#">Insert deliverable 1 from Section 3 or attached TOR</a>	
<a href="#">Insert deliverable 2 from Section 3 or attached TOR</a>	
<a href="#">Insert deliverable 3 from Section 3 or attached TOR</a>	
<a href="#">Insert deliverable 4 from Section 3 or attached TOR</a>	
<a href="#">Insert deliverable 5 from Section 3 or attached TOR</a>	

#### Cost Breakdown by Cost Component [\(example only\)](#)

Description	Unit of measure (day, month etc)	Total period of engagement	Unit cost/rate	Total Cost for the Period
Consultant 1				
Consultant 2				
Sub-total Personnel				
Travel Costs (if applicable)				
Other related Costs (please specify)				
<b>Total Cost of Financial Proposal</b>				