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I. General information

1. Brief information on the project

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is a global service provider for sustainable development in international cooperation. As a non-profit organisation and fully owned by the German government, GIZ supports the German government, particularly the German Federal Ministry of Economic Cooperation and Development (BMZ), in reaching its objectives in international cooperation.

In 2023, the European Union together with BMZ commissioned the project "Engagement with Indonesia, Malaysia, Laos, Thailand and Vietnam to raise awareness on and to promote better understanding of the EU approach to reducing EU-driven deforestation and forest degradation (EUDR Engagement)". The project EUDR engagement will support the EU delegations in Indonesia, Laos, Malaysia, Thailand and Viet Nam with enhancing the understanding for and alleviate concerns about the EU Regulation on deforestation-free products (EUDR) in particular on its core elements (i.e. mandatory due diligence rules, traceability, benchmarking), on the EU's flanking measures to create an enabling environment for compliance by operators and the opportunities the EUDR implies.

The project is implemented by GIZ and integrated into the BMZ funded global program "Sustainability and Value Added in Agricultural Supply Chains", which is part of the special initiative "Transformation of Agricultural and Food Systems". On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), the program promotes the sustainability of selected agricultural supply chains in partner countries. The GIZ "Initiative for sustainable agricultural supply chains" (INA) is responsible for operational steering and technical coordination while GIZ projects in the five partner countries lead the implementation in the respective country.

The GIZ team will provide relevant sectoral expertise through production of targeted analytical material related to the EU Regulation on deforestation and forest degradation, including on relevant flanking measures and the interplay with the relevant Southeast Asian producer countries (Output 1), support the EU Delegations in the five partner countries with engaging with key stakeholders in targeted countries to present and discuss the EU regulation on deforestation-free products (Output 2),

and support the five EU Delegations with public diplomacy and communication initiatives to improve the understanding of the requirements and the expected impact of the upcoming EU regulation on deforestation-free products (EUDR) in the targeted countries (Output 3).

2. Context

Almost 90% of worldwide deforestation is the result of agricultural expansion. A significant share of the agricultural commodities driving deforestation and traded internationally. Therefore, the EU has adopted the EU regulation on deforestation-free products (EUDR) to minimize the EU's contribution to deforestation and forest degradation worldwide. The EUDR is aligned with several international declarations and policy goals of the EU, the German Federal Ministry for Economic Cooperation and Development (BMZ), and partner countries in the (sub)tropics. The EUDR contributes to the implementation of various important global agreements such as the Sustainable Development Goals (SDGs), the Paris Agreement, the Kunming Montreal Global Biodiversity Framework and the Glasgow Leaders' Declaration on Forests and Land Use which emphasize the critical need to protect the world's forests.

According to the regulation, companies placing relevant products on the EU market or exporting them from there must ensure through due diligence that they are produced in accordance with the relevant legislation of the country of production (Art. 3b) and without deforestation or forest degradation after 31st December 2020 (Art. 3a). Companies must confirm the compliance of the product and the fulfilment of due diligence obligations in a due diligence statement accompanying the respective products. Relevant legislation in this context means the laws concerning the legal status of the area of production in terms of land use rights, environmental protection, forest-related rules, third parties' rights, labour rights, human rights protected under international law, the principle of free, prior and informed consent (FPIC), tax, anti-corruption, trade and customs regulations (see Art. 2 (40) EUDR).

The EUDR regulation applies to cattle, cocoa, coffee, natural rubber, palm oil, soy, and wood and certain derived products. All products covered by the EUDR are listed in Annex I. The EUDR has entered into force on 29 June 2023 and will enter into application for larger companies on 30 December 2024. The new EU regulation affects Southeast Asian countries because they export relevant commodities such as palm oil, rubber, coffee, cocoa, and timber to the EU-market.

To date, no comprehensive assessment of what constitutes relevant legislation in Indonesia, whether there are differences in legal requirements per commodity, and operators can demonstrate meeting relevant legislation is met, has been developed.

To address this gap in knowledge, GIZ plans to conduct a study on the legality requirements of the EUDR in the Indonesian context. The primary objective of this assignment is to provide a list of relevant laws and regulations in force in Indonesia which are relevant in the context of operators' and traders' obligations as per Article 3 (b) of the EUDR, to assess that relevant commodities and products have been produced in accordance with relevant legislation of the country of production as defined by EUDR Art. 2 (40). Such a list will be prepared in close cooperation with Indonesian officials from different sectors, focusing on the following commodities: rubber, cocoa, coffee.

The study shall cover Indonesian laws and legislation

- that could be considered as "relevant legislation in the country of production" as defined by Art. 2 (40),

- relevant laws and regulations around the EUDR's traceability requirements as outlined in EUDR Art. 9 1 (d) and Art. 2 (28),
- relevant laws and regulations around the provision of farm data and relevant data protection rules in Indonesia that might be relevant for operator's information and data collection and risk assessment as outlined in Art. 9 and Art. 10 of the EUDR.

Feedback for the study will be collected from key stakeholders through focus group discussions. The results from this study will be disseminated widely to relevant stakeholders at the national and sub-national level through various channels.

3. GIZ shall hire the contractor for the anticipated contract term, from April 2024 to June 2024

4. The contractor shall provide the following work*:*

    - Assessment of relevant laws and legislation in the context of EUDR compliance (EUDR Art. 2 (40))
    - Assess inconsistencies in policy coherence and gaps within identified relevant Indonesian legislative framework and collect anecdotal evidence for actual enforcement levels of and compliance with relevant legislation in practice (based on existing studies, literature, web research and information from interviewees)
    - Provide recommendations for operators and Indonesian policy makers on how to deal with gaps and incoherences identified
    - Provide an assessment of the Indonesian legislation around traceability and sharing of farm data in light of operator's obligations to collect relevant information and documents and conduct a risk assessment on the basis thereof (Art. 9 and 10)
    - And as part of the preliminary stage of the study, the contractor shall:
        a. Propose a framework and methodology to assess pertinent existing as well as imminent legislation in Indonesia with regards to their relevance for the EUDR legality requirement as well as to propose a practical approach to demonstrate compliance with relevant legislation in Indonesia for different actors in the agricultural supply chains affected by the EUDR.
        b. Propose a framework and methodology to assess the Indonesian legislative framework around traceability and the sharing of farm data.
        c. Discuss and agree on a framework for the assignment in a meeting with GIZ.

5. Details of the study:

    5.1 Assessment of relevant legislation

    Assess the EUDR legal text, in particular Article 2 (40) (on land (use) rights, environmental rights, forest- and biodiversity-related laws and rules, third parties' and labour rights, human rights protected under international law, FPIC, tax, anti-corruption, trade and customs regulations), and Article 3 b), and provide a structured overview of relevant Indonesian laws and regulations, in close cooperation with Indonesian officials, identifying any particularities per commodity, to provide a list of Indonesian laws that are relevant to assess compliance with Article 3 b).

    a. The assessment should cover national, provincial and district level laws, regulations and other legal acts, and court rulings, where relevant to the EUDR and major production areas for sub-national legislation.

b. The assessment of Indonesian legislation should also include relevant legislation with regards to traceability and provision of farm data as well as data protection regulations.
c. The assessment should cover any legislation being devised that may be of relevance for all EUDR commodities, identifying any commodity-specific particularities (focused on cocoa, rubber and coffee) as well as information, documents, and data which can be used by stakeholders to prove compliance with the EUDR requirement on legality.
d. The assessment should be done in close cooperation with Indonesian officials from different sectors, including their evaluation of the relevant legislative framework as well as inconsistencies and their recommendations on how to solve these challenges in policy incoherence. Interview partners will be identified at the beginning of the contract in close coordination with EUD and GIZ.
e. Based on desk research and interviews, potential challenges on policy incoherence, lack of clarity or implementation of relevant legislation or missing data shall be identified.
f. The findings of the initial assessment using desk research and interviews will be presented and discussed in up to three focus group discussions with experts and stakeholders (e.g. per sector, actor, or topic of legislation) to obtain feedback on the structured overview of relevant legislation.

5.2 Assessment of implementation and compliance with relevant legislation

Based on the above assessment of relevant Indonesia legislation pertaining to Article 2 (40), collect and assess anecdotal evidence for actual enforcement levels of and compliance with relevant legislation in practice.

a. Based on publicly available information and data, such as studies, media coverage and (international) indexes as well as findings from interviews, the contractor shall provide information on existing challenges and weaknesses of law enforcement and the level of implementation concerning the list of legislations identified above
b. The findings from this assessment should includeany particularities per commodity (coffee, cocoa, rubber), category of actor s(including smallholders) and location.

5.3 Recommendations for demonstrating compliance with relevant legality requirements

Based on the findings of Task 1 and 2, suggest a methodology and way forward for operators to comply with EUDR requirements on legality in the Indonesian context.

a. Propose an approach for producers to meet relevant Indonesian legislation under the EUDR requirements. This element should cover clear guidance on what documents, information sources or other could be provided by different actors affected by the EUDR to meet relevant Indonesian legislation.
b. Recommendations should consider aspects to increase policy coherence, on different levels and between different sectors, as well as data and information sharing mechanisms and platforms (e.g. National Dashboard, private and other public sector iniatives), among others

c. Provide recommendations on how government actors and operators can support supply chain actors upstream, including smallholders, on meeting EUDR legality requirements.
d. Include recommendations on how to proceed in cases where data, information, and documents are not available for operators to prove that the products they trade/buy are legally produced and how to implement risk mitigation measures accordingly. The risk mitigation measures identified should pay special attention to the needs of smallholders.
e. Outline a step-by-step process for smallholder farmers to collect and share information that demonstrate working towards compliance with relevant legislation as a basis to provide buyers with relevant information with a view to comply with EUDR requirements

The findings from this study will be consulted through focused group discussions to be conducted in Jakarta, with selected stakeholders (from the government and private sector, producer associations and civil society), before drawing a set of recommendations and presenting them in a final report.

Deliverables:

1. Agreed framework and draft of structured overview of relevant legislation for consultation with stakeholders

2. Draft approach to demonstrate working towards meeting relevant legality requirements.

3. Final Report (max. 25 pages) in English outlining the findings of the assessment, incl. an annex with the suggested list of relevant legislation as well as an excel sheet on the analysis of the legislation. The report should include a policy brief of 3- 5 pages (in English and Bahasa) with the main findings of the study.

Period of assignment: from April to June 2024.

Milestone	**Date**	**Criteria for Acceptance**
Agreed framework	2 weeks after contract signing	Framework of study consulted with GIZ and EUD and agreed by the project
Draft of structured overview of relevant legislation for consultation with stakeholder	4 weeks after contract signing	Draft structured overview of relevant legislation consulted with GIZ and EUD and agreed by the project
Draft approach to demonstrate working towards meeting relevant legality requirements	6 weeks after contract signing	Draft consulted with GIZ and EUD and agreed by the project
FGDs and consultation period	8-9 weeks after contract signing	Consultation with stakeholders conducted
Final structured overview of relevant legislation and report	12 weeks after contract signing	Final report consulted with GIZ and EUD and agreed by the project

II. Tender requirements

1. *Qualifications of proposed staff*

Lead Expert 1:

a. General qualifications

- Education: Minimum a Master's degree in environmental law
- Professional experience: 10 (ten) years' experience in the policy or regulatory review in the Forestry or Agricultural sector.

b. Experience in the region/knowledge of the country

- Proven 10 years working experience in conducting legality or policy analysis related to the forestry or agricultural sector.
- Sound knowledge of the Indonesian cocoa, coffee, or rubber sectors' supply chains.
- Sound knowledge of the Indonesian legislative system as well as institutions in the agricultural and forestry sector.
- Basic knowledge on certification standards and systems in agricultural commodities sector.

c. Language skills

Business fluency in English and Indonesian. Excellent oral and written communication skills and ability to report clearly both verbally and in writing in Indonesian and English.

Expert 2:

***a.* General qualifications**

- Education: Minimum a Bachelor's degree in environmental law, forestry, agriculture or another related field
- Professional experience: 5 (five) years' experience in forestry or agricultural sector

b. Experience in the region/knowledge of the country

- Proven 5 years working experience in conducting legality or policy analysis related to the forestry or agricultural sector
  Knowledge of the Indonesian cocoa, coffee, or rubber sectors' supply chains
- Sound knowledge of the Indonesian legislative system as well as institutions in the agricultural and forestry sector.
- Basic knowledge on certification standards and systems in agricultural commodities sector.

c. Language skills

Business fluency in English and Indonesian. Excellent oral and written communication skills and ability to report clearly both verbally and in writing in Indonesian.

2. *Quantitative requirements*

Per-diem and overnight accommodation allowances are reimbursed as a lump sum up to the maximum amounts permissible under tax law for each country as set out in the country table

in the circular from the German Federal Ministry of Finance on travel expense remuneration (download at https://www.bundesfinanzministerium.de).

All travel activities must be agreed in advance with the staff member responsible for the project.

Sustainability aspects for travel
GIZ would like to reduce greenhouse gas emissions (CO_2 emissions) caused by travel. When preparing your tender, please incorporate options for reducing emissions, such as selecting the lowest-emission booking class (economy) and using means of transport, airlines and flight routes with a higher CO_2 efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option.
If they cannot be avoided, CO_2 emissions caused by air travel should be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.

The market for carbon credits is made up of a large number of providers, each with different claims as to their climate impact. The Development and Climate Alliance has published a list of standards. GIZ recommends using the standards specified there.

Fee days	**Number of experts**	**Number of days per expert**	**Comments**
• Preparation/debriefing	2	8	
• Implementation	2	22	Including presenting the findings
Travel expenses	**Number of experts**	**Number of days/nights per experts**	**Comments**
• Per-diem allowance in country of assignment	2	6	Indicative calculation
• Overnight allowance in country of assignment	2	3	Indicative calculation
• Travel costs (train, private vehicle)	2	3	Only for consultants who are based outside of Jakarta, to partake in FGDs in Jakarta. Please choose between this or the domestic flight below.
Flights	**Number of experts**	**Number of flights per experts**	**Comments**
• International flights			
• Domestic flights	2	3	Only for consultants who are based outside of Jabodetabek to partake in FGDs in Jakarta.
• CO_2 compensation for air travel *Guidance for GIZ service providers on avoiding, reducing*			A budget of EUR xxx (please complete) is earmarked for settling carbon offsets against evidence.

and offsetting GHG emissions (giz.de)			
Other costs	**Number of experts**	**Amount per experts**	**Comments**
• Flexible remuneration	2	EUR 887	A budget of EUR 1.774 is foreseen for flexible remuneration. Please take this budget into account in your price schedule. Use of the flexible remuneration item requires prior written approval from GIZ.

Calculate your financial bid exactly in line with the quantitative requirements of the specification of inputs above. There is no contractual right to use up the full days/travel or workshops or budgets. The number of days/travel/workshops and the budgets will be contractually agreed as **maximum amounts**. The regulations on pricing are contained in the price schedule.

Since the contract to be concluded is a contract for works, you should offer your services at a fixed lump sum price, which provides **an itemised breakdown of all the relevant costs (fees, travel costs, etc.). The specification of inputs should provide guidance in this respect.** The assessment of the financial bid is based on the lump sum price tendered, which must be realistic for the services to be rendered. In the contract itself, the budgets will be contractually agreed as **maximum amounts**.

3. Conceptual design

The tenderer should indicate how the services outlined in Sections I.4 are to be provided. Reference should be made to the following criteria:

1. General understanding of the Terms of Reference
   The tenderer is required to explain its approach for coordination with the GIZ project. In particular, the tenderer shall explain the necessary feedback loops proposed to ensure constant coordination and input opportunities throughout the assignment.
2. Brief overview of the proposed methodology
   The tenderer presents and justifies the explicit strategy and qualitative methodology with which it intends to provide the services for which it is responsible and the mix of methods and approaches to be applied (eg desktop research, key informant interviews, focus group discussions, etc.)
3. Clear workplan and timeline
   The tenderer is required to describe the key processes for the work to be performed and create an operational plan or schedule that describes how the services are to be provided, and draw up a personnel assignment plan with explanatory notes that lists all the experts proposed in the tender.

III. Requirements on the format of the tender

The CV submitted for each expert can have a maximum of four pages. The concept should not exceed five pages. If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment. External content (e.g. links to websites) will also not be considered.

Annexes

- Introduction Presentation to EUDR Engagement Project
- Link to EU Regulation on Deforestation-free products: Regulation on Deforestation-free products - European Commission (europa.eu)
- Link to EUDR FAQ: Deforestation Platform and other EUDR implementation tools - European Commission (europa.eu)