# Terms of reference (ToRs) for the procurement of services below the EU threshold

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

| ANALYSIS OF ABILITY AND WILLINGNESS TO PAY FOR SOCIAL INSURANCE PROGRAMMES (SOCIAL HEALTH INSURANCE AND EMPLOYMENT SOCIAL SECURITY) | **Project number/ cost centre:** **17.2055.6-001.00** |
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## 0. List of abbreviations

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| ASP | Adaptive Social Protection |
| ATP | Ability to Pay |
| AVB | General Terms and Conditions of Contract (AVB) for supplying services and work 2020 |
| BAPPENAS | Ministry of National Development and Planning/National Development Planning Agency |
| BMZ | German Federal Ministry for Economic Cooperation and Development |
| BPS | Statistics Indonesia |
| COVID-19 | Coronavirus Disease 2019 |
| DJSN | National Social Security Council |
| BPJS Kesehatan | Indonesia Social Security Carrier for Health |
| BPJamsostek | Indonesia Social Security Carrier for Employment |
| GIZ | The Deutsche Gesellschaft für Internationale Zusammenarbeit |
| GoI | Government of Indonesia |
| JHT | Old Age Security |
| JKK | Work Accident Security |
| JKM | Death Security |
| JKN | National Health Insurance |
| JKP | Job Loss Security |
| JP | Pension Security |
| MoH | Ministry of Health |
| PT Pos | Indonesia Postal Agency |
| SPP | Social Protection Programme |
| ToRs | Terms of References |
| ToT | Training of Trainers |
| WTP | Willingness to Pay |

## 1. Context

*The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is an international cooperation enterprise for sustainable development with worldwide operations. Its corporate objective is to improve people's living conditions sustainably. GIZ has been working in Indonesia since 1975 on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ).*

In the context of the bilateral cooperation between the Government of Germany and the Government of Indonesia, the Social Protection Programme (SPP) assists the Government of Indonesia in developing long-term strategies for a comprehensive system of Social Protection. The National Development Planning Agency (BAPPENAS) is its leading partner. The collaboration was reinforced and strengthened during the German-Indonesian Government Negotiations in 2017. SPP entered a new approach in January 2019 and is part of the priority area "Economic, Social Development and Employment".

The New SPP aims to improve risk coverage and promote the independent economic existence of the poor and vulnerable with a view to contributing to innovative approaches to complement the social protection system for the poor and vulnerable. The project works in the following intervention areas: (1) Adaptive Social Protection (ASP) with a focus on capacity development for BAPPENAS and another key stakeholder in performing their tasks to lead the policy consultation at the national level and facilitating the development of the strategic recommendation for expanding social protection against risks from extreme weather events and natural disasters; (2) Financial Inclusion by supporting PT Pos in modernising its services through the digital giro platform and expanding savings products which will increase access to financial services for poor and vulnerable groups; and (3) Labor market access for Person with Disabilities by providing advisory services and technical support for the development of the concept and strategy of inclusive design from employment promotion instruments and reform plans for the vocational education and training sector, through the Social Security Administering Body, BPJS Ketenagakerjaan and other key stakeholders and (4) Actuarial Technical support to redesign and rearrange the social security benefits for the Indonesian population and improve the programme’s effectiveness and efficiency management. Under the leadership of BAPPENAS, the intervention has been part of the social protection reform agenda starting from January 2022.

**The rationale for the assignment**

The COVID-19 crisis has put the responsiveness of the world's social protection systems to the test. Indonesia has taken extraordinary measures in response to the COVID-19 pandemic. In October 2020, President Jokowi announced that the Government of Indonesia (GoI) has been designing the national economic recovery in conjunction with the reform in various sectors: education, health, social security, and budgeting and taxation systems reform. IDR 372,5 trillion was earmarked for the social protection programme in 2020 to accelerate social recovery and support gradual social protection system reforms. The social protection systems' incremental reforms are essential in promoting efforts to eradicate extreme poverty by 2024. Learning from the COVID-19 response situation, GoI confirms that redefining the benefit through re-calculating the

premium for social health insurance and employment social security programmes is critical to improving individual and household coping mechanisms.

As Indonesia's economy recovers from the COVID-19 pandemic, the adequate revenue from the premium of social health insurance and employment social security programmes must be re-calculated to build the adaptive financing mechanism and ensure the sustainability of the programmes.

There are several views on enforcing the reform through re-calculating the premium. For example, the premium set must follow economic figures, Indonesia's demographic conditions, social and non-social disaster risks, the ability to pay (ATP), and willingness to pay will (WTP) to simplify the prioritising process. Furthermore, making a distinction between the schemes for wage earners (employees with a fixed salary) and self-employed workers (the informal sector whose income is volatile) is necessary. In line with Indonesia's Long-Term Development Plan 2025-2045, setting a better standard class and basic health needs for health insurance and the potential expansion of employment social security programmes such as maternity benefits, long-term care, and pension insurance for informal workers are benchmarks for calculating the new premium. On the other side, increasing the forecast of contribution rates in the range of 10-15% of workers' income before actuarial analysis must be improved. Alongside the above, Indonesia must have an evaluation to simplify the collecting fees mechanism.

As the national health insurance (*Jaminan Kesehatan Nasional/*JKN) programme enters its tenth year of implementation, many achievements and challenges have been noted. As the world's largest single-payer social health insurance system, in 2022, the JKN programme has covered 90% of Indonesia's population. However, the JKN programme experienced a deficit from 2014 to 2019 due to low contribution rates. In addition, many people endured significant income cutbacks during and after the COVID-19 pandemic, which impacted the sustainability of JKN programme contribution payments. Thus, an increase in the number of JKN members who stop paying regular contributions (inactive members) is inevitable.

From year to year, the number of members of employment social security in Indonesia also continues to grow. There are now five programmes, namely Old Age Security (*Jaminan Hari Tua/*JHT), Pension Security (*Jaminan Pensiun/*JP), Work Accident Security (*Jaminan Kecelakaan Kerja/*JKK), Death Security (Jaminan Kematian/JKM), and Job Loss Security (*Jaminan Kehilangan Pekerjaan/*JKP). In 2022, 55 million Indonesian workers have been registered in the social security programme. However, employment social security participation coverage must be improved, especially for informal workers. On the other hand, the sustainability of employment social security faces challenges related to the decreasing financial health of social security funds due to labour and population dynamics and other conditions that impact BPJamsostek's ability to make future benefit payments.

Furthermore, Indonesia is experiencing an ageing population, with people aged 60 and above accounting for 10% of the population. Based on BAPPENAS and BPS projections in the trend scenario, the proportion of the population aged 60 and above will be 21.90% (72.03 million people) in 2050. Furthermore, women make up more than half of this group. As a result, they are more vulnerable to poverty. The higher health-adjusted life

expectancy of women than men also potentially makes older women more vulnerable to poverty and higher long-term care needs. Indonesia's current employment social security is insufficient for older people. The sustainability of the JP programme is projected by BPJamsostek to be in deficit if there is no re-calculation of the premiums. Thus, JP programme assets have not been able to meet JP programme liabilities. On the other hand, the JP programme does not yet cover informal sector workers who dominate the workforce in Indonesia. The JHT programme, which currently has the highest claim rate, is not yet in accordance with the programme's ultimate goal because members can disburse the benefit before reaching old age.

Meanwhile, regarding the JKK programme, Government Regulation No. 49 of 2023 has been issued, which mandates BPJamsostek as the first guarantor for work accidents and occupational diseases. Thus, it is necessary to anticipate an increase in cases of occupational diseases. The sustainability of the JKK and JKM is also threatened because the contributions are utilised to fund a new JKP programme. The mandate to expand the benefits of the JKK and JKM programs in Government Regulation No. 82/2019 also has the potential to erode the sustainability of contribution funds.

One critical factor determining the sustainability of social insurance programmes is the adequacy of revenue through adequate contribution rates and contribution payment compliance. Furthermore, knowing the 'WTP' for the benefits/services received and measuring the 'ATP' of members and potential members without bearing a heavy financial burden are vital factors in collecting contributions and expanding the programmes' membership and sustainability. These two analyses are even more critical to conduct after the COVID-19 pandemic has dramatically affected the community's economic conditions, including the shifting economic structure. In addition, the ATP and WTP situations must be updated and expanded with a broader scope, considering no comprehensive study on this subject is available. The analyses will look at the current situation of people who can afford social insurance contributions but do not want to and those who want to pay but cannot afford to.

**Objectives**

The main objective of this study is to analyse willingness to pay (WTP) and ability to pay (ATP) for social insurance (social health insurance and employment social security) programmes. The issues of the study include, **but are not limited to**, the following:

- WTP and ATP for social health insurance and employment social security programmes, including pension scheme for informal workers.
- Determinants of WTP and ATP across the different backgrounds of the population.
- Reasons for lapsed contribution payment.
- Recommendations on the design of social insurance programmes for informal workers include (a) data management to identify the poor and non-poor informal workers, (b) poor informal workers (subsidised), and (c) non-poor informal workers (contribution scheme).

## 2. Tasks to be performed by the contractor

The contractor is responsible for providing the following team of experts and the advisory services necessary for implementing the activities under the actuarial technical support of the Technical Cooperation Project "Social Protection Programme". The contractor will contribute to the output and the respective indicators as stated below.

The key experts seconded by the contractor must cooperate and consult closely with the GIZ project director, who is responsible to BMZ for the German contribution. The GIZ project director is leading this work and facilitates the political process. The contractor's strategic and technical inputs must be very closely interlinked with this and, thus, require the closest coordination with the GIZ project director.

The contractor will deliver services in the following areas of action:

- **Conduct an Analytical Study on Willingness to Pay (WTP) and Ability to Pay (ATP) for Indonesia's Social Health Insurance and Employment Social Security Programmes**
  - **Analytical works using a mixed-method approach** are carried out correctly, objectively, and thoroughly. This includes desk review (regulatory review), and quantitative and qualitative methods. Furthermore, the contractor is also responsible for developing the innovative methodological concept of the study.
  - **Preparatory task:** kick-off meeting with BAPPENAS, national and local institutions, and other relevant stakeholders, decision made for study sample and location, research ethics, research permits from the national and local levels, and research instrument development. We expect the primary data collection through a quantitative approach covering at least 1,000 respondents from Indonesia's five largest archipelago regions: Sumatra, Java, Kalimantan, Sulawesi, and Papua.
  - In addition, training of trainers (ToT) must be done before the data collection step if the national enumerators will be hired.
  - Ensure that **data collection** (both primary and secondary data collection) runs smoothly.
  - Ensure that **data and knowledge management** are built and accessible. Its activities include data cleaning.
  - Submit the **final report and other deliverables promptly**.
  - **Strategic advice** to the GIZ project director on all technical issues in actuarial technical support.
  - Build **networking** with high-ranking representatives from the government, academia, and other relevant stakeholders at the national and regional levels.

Certain milestones, as laid out in the table below, are to be achieved by specific dates during the contract term:

| Milestones | Deadline | Criteria for Acceptance |
|---|---|---|
| The inception report includes:<br>a. a detailed work plan<br>b. monitoring framework<br>c. methodology<br>d. timeline<br>e. proposed study report's outline.<br>f. questions for both quantitative and qualitative methods | December 2023 | The inception report (maximum 20 pages, excluding the study questionnaire). |
| The intermediate report, including the PowerPoint presentation, consists of the following:<br>a. desk review (including regulatory review)<br>b. preliminary findings | 28 February 2024 | a. The intermediate report (maximum 40 pages), including scenario and potential findings.<br>b. PowerPoint presentation. |
| Mid-term implementation | 19 April 2024 | a. Draft findings and recommendations.<br>b. Presentation of draft findings (including graphics, stakeholder analysis, and policy status). |
| Final report, including PowerPoint presentation:<br>a. one policy brief<br>b. one full final report, including executive summary. | 30 July 2024 | a. One policy brief (maximum 10 pages), including brief analysis and hypothesis.<br>b. One final report (maximum 100 pages).<br>c. PowerPoint presentation. |

Period of assignment: from December 2023 until July 2024.

## 3. Concept

### Introduction

In the conceptual design of the tender (technical-methodological approach, project management), the tenderer must consider specific objectives and requirements and describe them, as explained below.

GIZ uses its Capacity WORKS management model to design the corresponding projects when it receives commissions. Hence, the contractor understood the cooperation systems whose actors – generally GIZ and its partner organisations – have agreed on objectives and results. Capacity WORKS employs five success factors to accommodate the various perspectives in the objectives-focused design of the cooperation system: strategy, cooperation, steering structure, processes, and learning and innovation.

**Objectives for the tenderer**

In the bid, the tenderer must demonstrate how the objectives and results will be achieved from the perspectives above (see Chapter 2). The tenderer should refer to the existing documents for the overall project/programme and apply these in the section for which it is responsible. For this purpose, the tenderer should consider four factors: strategy, cooperation, processes, and learning and innovation (sections 3.1, 3.2, 3.4, 3.5*).* In addition, it must describe the project management system in a narrow sense (section 3.6). **Repetition of information in existing documents should be avoided.** The limits on text length must be observed (see Chapter 7).

## 3.1. Strategy (section 1.1 of the assessment grid)

**Introduction**

The cooperation system is successful if the partners agree on a clear and plausible strategy for achieving the jointly negotiated objectives. The process indicates how changes in the partner's design will occur. As people, organisations, and society drive systems, the strategy must consider the capabilities they need to bring about the desired changes (Element Capacity Development Strategy).

**Objectives for the tenderer**

The strategy is the core element of the technical-methodological concept. The tenderer must interpret the targets responsible for and critically appraise the task (section 1.1.1 of the assessment grid). Subsequently, the tenderer must describe and justify the strategy that will be used to achieve the milestones, targets and results it is responsible for (see section 2) using the work packages described in section 2 (section 1.1.2 of the assessment grid). The tenderer should **avoid repeating information** from the description of the implementation approach (see section 3.6).

## 3.2. Cooperation (section 1.2 of the assessment grid)

**Introduction**

Good cooperation is based on trust and the negotiation of appropriate forms of collaboration with clearly defined partners and roles. Cooperation partners have specific mandates, capacities, and opportunities for exerting influence, specific interests and attitudes concerning the change objectives, and specific formal or informal relations with other actors.

The TZ module "Social Protection Programme" is a high-level policy advisory intervention. The National Development Planning Ministry (BAPPENAS) is the leading partner for actuarial technical support. The GIZ project director leads this work, streamlining the political exchange process and deciding on the strategy. The intermittent experts of the core team provided by the contractor will provide

the necessary technical inputs to this process and advise the GIZ project director and the partner in face-to-face and virtual settings (Microsoft Teams).

**Objectives for the tenderer**

The tenderer must explain the actors involved in that part of the cooperation system under the tenderer's responsibility and describe their interactions (section 1.2.1 of the assessment grid). The tenderer must develop a concept showing how cooperation with these actors must be set up and implemented (section 1.2.2 of the assessment grid). The project's cooperation arrangements, referred to in section 1, must be considered.

### 3.3. Steering structure (section 1.3 of the assessment grid)

*Not applicable.*

### 3.4. Processes (section 1.4 of the assessment grid)

**Introduction**

The inputs provided by the cooperation partners can be allocated to various joint processes. Service delivery processes relate to the objectives of the cooperation system. Cooperation processes underpin service delivery processes through the coordination of multiple actors. Learning processes are necessary so that the actors consider the quality of service delivery and undertake essential changes. Support processes are packages of tasks that underpin all other processes. Steering processes form the legal, political, and strategic framework for all processes.

**Objectives for the tenderer**

The tenderer must describe the key processes for the services for which it is responsible and create a schedule that describes how the services are to be provided, according to Chapter 2. In particular, the tenderer must define the necessary work steps and, if applicable, take account of the milestones and contributions of other actors referring to them in Chapter 2 (section 1.4.1 of the assessment grid). Here, the tenderer must critically appraise the contribution made by the tender's services to the sector processes and identify promising starting points for generating possible leverage (section 1.4.2. of the assessment grid).

### 3.5. Learning and innovation (section 1.5 of the assessment grid)

**Introduction**

People, organisations, and society must undergo a learning process if the cooperation system is to be capable of reacting to change. Learning and innovation

are rooted in knowledge. A knowledge management system in a project or organisation identifies and stores relevant and experiential know-how and prepares this for subsequent exchanges with other projects and within the partner organisation.

**Objectives for the tenderer**

The tenderer must describe its contribution to knowledge management for the partner and GIZ (section 1.5.1 of the assessment grid). The following tasks are to be taken into consideration:

- Contributions to conferences and meetings related to the services.
- Built and accessible data and knowledge management.

### 3.6. The contractor's project management activities (section 1.6 of the assessment grid)

In its tender, the tenderer must describe its approach and procedure for coordination with and within the project (section 1.6.1 of the assessment grid).

The tenderer must draw up and explain an operational plan, including a plan for the assignment of all the experts in its tender for implementing the strategy described in section 3.1. The operational plan must include the assignment times (periods and expert days) and assignment locations of the individual experts, explicitly describing the necessary work stages. It must also be considered and, if necessary, added to the milestones in section 2 (section 1.6.2 of the assessment grid).

The tenderer is required to describe its backstopping concept. A brief CV with relevant details must be provided for each backstopper (Section 1.6.3 of the assessment grid).

The following services are part of the standard backstopping package. They must be factored into the fees for the staff listed in the tender as ancillary staff costs by GIZ's General Terms and Conditions:

- Ensuring the flow of information between GIZ and the contractor's seconded staff
- Process-based technical-conceptual management of the consultancy inputs
- Managing adaptations to changing conditions
- Monitoring performance
- Ensuring the provision of project administration services
- Ensuring compliance with reporting requirements
- Specialist support for the on-site team from the contractor's staff
- Sharing and making local use of the lessons learned by the contractor.

**Project management specifications:**

- The contractor is responsible for selecting, preparing, training, and steering the experts assigned to perform the advisory tasks.
- The contractor makes equipment and supplies (consumables) available and assumes the associated operating and administrative costs.
- The contractor manages expenditures and costs, accounting processes and invoicing according to GIZ's requirements.
- The contractor reports regularly to the client by the General Terms and Conditions of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

In addition to the reports specified in the GIZ General Terms and Conditions, the contractor submits the following reports:

- Contributions to annual reports to GIZ 's commissioning party as based on the request of the GIZ project director.
- Tailor-made reports/documentation on request of partners and GIZ project director during the assignment.

### 3.7. Further requirements (section 1.7 of the assessment grid)

To deliver the outputs above, the selected contractor is expected to have the following qualifications:

- At least ten years of working experience assisting the Government in developing social health insurance and employment social security policies.
- Proven track record in implementing research, collating inputs for report writing, and developing strong recommendations.
- Familiar with the Indonesian political and stakeholder arrangement landscape.
- Familiar with social insurance (social health insurance and employment social security).
- Experienced in developing policy recommendations and policy advice.
- Familiar with social cohesion and gender concepts and their implementation in Indonesia.
- Cultural sensitivity in daily business.

## 4. Personnel concept

The tenderer must provide personnel suited to filling the positions described based on their CVs (see Chapter 7), the range of tasks involved and the required qualifications.

**Team leader (1 person) (section 2.1 of the assessment grid)**

Tasks of the team leader

- Overall responsibility for the advisory packages of the contractor (quality and deadlines).
- Coordinating and ensuring communication with GIZ, partners and others involved in the project.
- Advice to GIZ project director and political partner on all technical issues of the study continuously and on request.
- Consider cross-cutting themes (for example, gender equality).
- Support the liaison with the relevant stakeholders and facilitate their input on the study's result.
- Provide technical inputs for selecting priority issues to focus on social health insurance and employment social security programmes.
- Contribute to knowledge management and documentation of experiences and lessons learned for sharing with GIZ, partners, and the broader development community - in cooperation with the respective International and National experts in Actuarial Technical Support under GIZ SPP.
- Ensure steering and coordination with the core expert team during the study.
- Personnel management, in particular, identifies the need for short-term assignments within the available budget, planning and steering assignments, and supporting experts.
- Ensuring quality assurance of the pool of experts' outputs of the core team and the consultancy firm/organisation.
- Regular reporting by deadlines.
- Responsibility for checking the use of funds and financial planning in consultation with the officer responsible for the commission at GIZ.

Qualifications of the team leader

- Education/training (2.1.1): University degree (Doctoral, ‘Diploma’/Master or comparable foreign qualification) in either or a combination of the following fields: Social Protection (Social Insurance (Health and Employment) and Social Assistance), Public Policy, Demography, Actuarial Sciences, Public Health, Data and Statistics or related field.
- Language (2.1.2): English and Indonesian language skills, C1 in the Common European Framework of Reference for Languages.
- General professional experience (2.1.3): 15 years of professional experience in either or a combination of the following sectors: Social Protection (Social Insurance (Health and Employment) and Social Assistance), Public Policy, Demography, Actuarial Sciences, Public Health, Data and Statistics.
- Specific professional experience (2.1.4): 8 years of professional experience in all of the following technical fields: Social Protection Topics (7/10 points) and inclusion, including cross-sectoral projects targeting the poor and vulnerable population (3/10 points).

- Leadership/management experience (2.1.5): 6 years of management/leadership experience as a project team leader or manager in the organisation or relevant project.
- Regional experience (2.1.6): 8 years of experience in projects in Indonesia's projects and its regions/provinces.
- Development cooperation (DC) experience (2.1.7): 5 years of experience in development cooperation-related works/projects.
- Other (2.1.8): not applicable

**Expert 1: Key Expert Pool (with five experts) (section 2.2 of the assessment grid)**

The contractor is expected to supply a pool of experts (5 persons) to address the specific technical demands required for all the topics and activities mentioned in Chapter 2. The dates and duration of assignments in the various areas will be coordinated flexibly with the partner and GIZ during implementation, based on specific ToR and CVs submitted by the contractor for each consultancy to GIZ for approval. The experts must comprise social protection (social insurance and social assistance), demography, public policy development, actuarial, and data and statistics.

<u>Tasks of Expert 1</u>

- Advise the GIZ project director and partners on the technical proposal, including the study's instrument, targeting, and areas for data collection and analysis.
- Collecting, processing, analysing, interpreting, and discussing relevant desk studies (including regulatory review), quantitative data, and qualitative information.
- Translate analytical results into policy advice and briefs.
- Support the liaison with social protection stakeholders and facilitate their input to the study.
- Contribute to knowledge management and documentation of experiences and lessons learned for sharing with GIZ, partners, and the broader development community.
- Contribute to the writing of all reports to GIZ.
- Ensuring quality assurance of the outputs.

<u>Qualifications of Expert 1</u>

- Education/training (2.2.1): All experts: University degree (Doctoral, 'Diploma'/Master or comparable foreign qualification) in either or a combination of the following fields: Social Protection (Social Insurance (Health and Employment) and Social Assistance), Public Policy, Demography, Actuarial Sciences, Public Health, Data and Statistics or related field.
- Language (2.2.2): All experts: English and Indonesian language skills, C1 in the Common European Framework of Reference for Languages.
- General professional experience (2.2.3): All experts: 10 years of professional experience in either or a combination of the following sectors: Social Protection (Social Insurance (Health and Employment) and Social Assistance), Public Policy, Demography, Actuarial Sciences, Public Health, Data and Statistics.
- Specific professional experience (2.2.4): All experts: 7 years of professional experience in all of the following technical fields: social protection (4/10 points),

demography and public policy (3/10 points) and actuarial and data and statistics (3/10 points).

- Leadership/management experience (2.2.5): Not applicable.
- Regional experience (2.2.6): All experts: 5 years of experience in Indonesia's projects and regions/provinces.
- Development cooperation (DC) experience (2.2.7): All experts: 5 years of experience in DC-related works/projects.
- Other (2.2.8): not applicable

The tenderer must provide a clear overview of all the proposed experts and their qualifications.

The tenderer's ability to provide the pool of experts required here will be assessed based on sample CVs.

Soft skills of team members

In addition to their specialist qualifications, the following qualifications are required of team members:

- Team skills
- Initiative
- Communication skills
- Social and intercultural skills
- Efficient, partner- and client-focused working methods
- Interdisciplinary thinking

## 5. Costing requirements

### Assignment of personnel and travel expenses

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 German Federal Ministry of Finance circular on travel expense remuneration.

(Downloadable at https://www.bundesfinanzministerium.de).

Accommodation costs exceeding this reasonable amount and the cost of flights and other primary forms of transport can be reimbursed against evidence.

All business travel must be agreed upon in advance by the officer responsible for the project.

Specification of inputs

| **Fee days** | **Number of experts** | **Number of days per expert** | **Total** | **Comments** |
|---|---|---|---|---|
| **Designation of Team Leader** | **1** | **85** | **85** | |
| **Designation of Key Expert Pool** | **5** | **85** | **425** | |
| **Travel expenses** | **Quantity** | **Price** | **Total** | **Comments** |
| **Fixed travel budget** | | | **127.140.000** | A budget of IDR is **127.140.000** earmarked for travel within the project location.<br>You can find further information on the travel expense budget in the 'Price schedule' document. Please use the 'Explanations' column in the price schedule to break down the individual items. Settlement is possible only until the budget is depleted. |
| **Other costs** | **Number** | **Price** | **Total** | **Comments** |
| **National personnel – Administration and Finance Staff** | 2 | 3.500.000 | **42.000.000** | For a 6-month assignment |
| **National personnel – Enumerator** | 12 | 4.000.000 | **96.000.000** | For a 2-month assignment |
| **Flexible remuneration** | | | **130.000.000** | A budget of IDR **130.000.000** is foreseen for flexible remuneration. Please incorporate this budget into the price schedule.<br>Use of the flexible remuneration item requires prior written approval from GIZ. |
| **Workshops** | **4** | **15.000.000** | **60.000.000** | A budget of IDR **60.000.000** (against the provision of evidence) is foreseen for workshops. It shall be included in the financial offer. |
| **Other costs: supplies (consumables)**<br>*To implement the contract, the contractor must specify a monthly lump sum to cover supplies (consumables) costs.* | **6** | **3.000.000** | **18.000.000** | The budget contains the following costs: translation, editing, and printing. |

| Fee days | Number of experts | Number of days per expert | Total | Comments |
|---|---|---|---|---|
| *The lump sum includes all the translation, editing and printing costs.* | | | | |

**Workshops and training**

This activity is foreseen for workshops, stakeholder meetings, conferences, exposure visits, and other capacity development activities. Activities include but are not limited to kick-off meetings, study implementation progress report meetings, preliminary results meetings, and study results dissemination. The sessions are planned using hybrid methods and will invite relevant stakeholders for each activity. All meeting packages must be included in the financial offer.

The contractor implements the following workshops/other meetings:

- Initial kick-off meeting with Bappenas and GIZ SPP team (presenting methodology, approach, detailed work plan, draft questionnaires/list of questions, and respondents).
- Kick-off workshop meeting with relevant stakeholders (government institutions, implementing agencies/BPJS, DJSN, associations, etc.).
- Preliminary results presentations.
- Dissemination event for presenting and disseminating the final results of the study.

## 6. Inputs of GIZ or other actors

GIZ is expected to make the following available:

- Support establishing contact with partners and stakeholders and introducing experts and their work to partners.
- Transportation on site with own project vehicle.

## 7. Requirements on the format of the tender

The structure of the tender must correspond to the structure of the ToRs. In particular, the detailed structure of the concept (Chapter 3) should be organised by the positively weighted criteria in the assessment grid (not with zero). The tender must be legible (font size 11 or larger) and clearly formulated. The language of the tender is English.

The technical-methodological concept of the tender (section 3 of the ToRs) is not to exceed ten pages (not including the cover page, list of abbreviations, table of contents, brief introduction and CV for the backstopper). 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., website links) will also not be considered.

The CVs of the personnel proposed by Chapter 4 of the ToRs must be submitted using the EU format and must not exceed four pages. The CVs must clearly show the position and job the proposed person held and for how long. The CVs can also be submitted in English.

We strongly request that you do not exceed the number of pages specified.

## 8. Option

Not applicable

## 9. Processing of personal data

The performance of the contract is associated with the processing of personal data by the contractor, who will alone define the nature of such data and how such processing will be carried out. The contractor will act as an independent DATA CONTROLLER and must independently comply with ALL applicable data protection obligations, including regional and local laws. These laws may include the responsibility to conduct a data protection impact assessment of the envisaged processing operations. The contractor must process personal data only when a given goal cannot be reasonably attained without such data. Data protection principles such as lawfulness, data minimisation, accuracy, purpose limitation, storage limitation, transparency, integrity and confidentiality, accountability, and the data subject's numerous rights must be paid attention to. GIZ is NOT in any way responsible for such processing.

## 10. Annexes

(A) Stakeholder map
(B) Project factsheet

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# Stakeholder Map

# **Steering Structure:** Informal Relationships are More Important than Institutional Arrangements

**SPP High-Level Stakeholder Meetings**

*(if possible, twice a year, otherwise, on demand)*

BAPPENAS, PT Pos Indonesia, BPJS Ketenagakerjaan (Echelon-I-level)

GIZ: SPP Principal Advisor

**Jour Fixe with BAPPENAS**

*(at least monthly reflections on project progress, planning & directions, challenges, etc.)*

BAPPENAS: Director for Population and Social Insurance (Echelon-II-level)

GIZ: SPP Principal Advisor

**Jour Fixe with BPJamsostek & PT Pos**

*(regular reflections on project progress, planning & directions, challenges, etc.)*

BPJS Ketenagakerjaan: several echelon-2 representatives

PT Pos: Head of the unit; Head of Division

GIZ: Advisors; Madiba, Frankfurt School (FS)

**SPP Team Meetings**

*(discussions about strategic and operational issues)*

All staff members, incl. representatives from Madiba, FS, and SPIL

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# Social Protection Programme (SPP)

## Expansion of Innovative approaches to elevate the economic livelihoods

| | |
|---|---|
| Project name | Social Protection Programme (SPP) |
| Commissioned by | German Federal Ministry for Economic Cooperation and Development (BMZ) |
| Project region | Indonesia |
| Lead executing agency | Ministry of National Development Planning (BAPPENAS) |
| Duration | 01.01.2019 - 31.12.2023 |

SUSTAINABLE DEVELOPMENT GOALS
1 NO POVERTY
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

## The challenge

Since 1999, the poverty level in Indonesia has halved, reaching 10.7% or 27.76 million individuals in 2016. The World Bank estimates that an additional 24% of the population are at risk of poverty. Although the position indicates it being above the poverty line, the population only possesses a maximum of 1.5 times the threshold value. Besides, the inequality level has rapidly grown in the last ten years due to geography and social concentration.

In Indonesia, there is a high risk of poverty due to extreme weather events and natural disasters and the accompanying damage to assets and loss of income. The 2017 World Risk Report shows that Indonesia ranks 33 of 171 high-risk countries. Poor households are often unable to take preventive measures and thus face existential threats. To date, social protection does not cover these risks. Expanding social protection to these risks contributes to stabilising households, so they do not fall into poverty in such situations.

Social protection coverage for the population and the economic options to escape poverty is inadequate.

The risks, in particular – of falling poor or surviving in poverty due to extreme weather events or natural disasters, which are on the rise due to climate change – are substantial and have not been covered. Providing access to productive employment remains a daunting challenge, especially for persons with disabilities. The social protection system does not sufficiently protect citizens from existential risks and cannot effectively promote (self-employed) economic livelihoods for the poor and near-poor.

## Objectives

The Project aims to offer support to the Government of Indonesia as innovative approaches complement the existing social protection system for the poor and vulnerable.

## Our approach

German continuous support for reforming the Indonesian social-protection system was initiated in 2011.

*L. to R.: Social worker Capacities; Digital Giro Pos for Financial Inclusion*

Photos: © GIZ

Photo: © GIZ

Contact person

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*L. to R.: Strengthening National Child Protection System; Inclusion for Persons with Disabilities*

Aligned with the Indonesian Government's National Medium-Term Development Plan 2015 – 2019, Project continues to provide technical expertise, capacity development, process facilitation and opportunities within the following areas of intervention: (a) Adaptive Social Protection; (b) Financial Inclusion of poor and vulnerable; (c) Employment promotion for persons with disabilities, and (4) Actuarial technical reform for redesigning the social protection programme benefits and coverages.

Within the framework of the new cooperation, the Project's intervention amplify several approaches to improve risk coverage and promotes independent livelihoods for the poor and vulnerable, specifically to: (a) policy advice on adaptive social protection at the national level, (b) organisational development for key stakeholders, such as PT Pos Indonesia, (c) inclusive design of employment promotion instruments and reform plans for the vocational education and training sector, and (d) key issues paper on ensuring the financial sustainability of social security in a post-COVID scenario.

The Social Security Carrier (BPJS) and PT Pos play major roles in implementing the Social Protection Programmes; a few new organisations have joined the journey. Supported by the team of United Nations Environment, Humanity and Security (UNU-EHS), Munich Climate Insurance Initiative (MCII) and MADIBA consulting, the Project facilitated the multistakeholder partnership collaboration to develop the comprehensive policy design on ASP so-called the Roadmap. The National Disaster Management Authority (BNPB), Directorate for Natural Resources and Regional Cooperation in BAPPENAS and, the Ministry of Finance sub-department, the National Fiscal Policy Agency (BKF) are among the member of The National Coordination Forum of ASP.

The vast collaboration with the Ministry of National Development Planning and the state postal (PT Pos Indonesia) underpin the efforts to improve access to basic financial services for poor and vulnerable households. This approach ultimately benefits their participation in social protection systems, reduces transaction costs and promotes graduation from social assistance programmes.

Further, from the 1st of January 2022, SPP enters a new approach by introducing actuarial science technical support to redesign and rearrange the social security benefits for the Indonesian population and improve the programme's effectiveness and efficiency management under the leadership of Bappenas. This approach is aligned with President Joko Widodo's social protection reform agenda as endorsed on the 5th of January 2021.

## Results achieved so far

Over the past 10 years, the Indonesian Government has made significant progress in developing its social protection system with the support of the German Government through the Social Protection Programme. The most important milestones in this process are as follows:

- Indonesia's health insurance has established itself as the largest contribution-based health insurance in the world, with a current membership of around 242 million (equal to 88% of the population).
- Indonesia Adaptive Social Protection Roadmap 2022 – 2026 is adopted into the President Regulation draft.
- 1 Million Digital Giro Pos accounts have been registered by December 2021.
- Piloting the Inclusive Job Centre (IJC) model and reasonable accommodation assessment in 8 (eight) BPJamsostek branches nationwide.

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