

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

CONFIDENTIAL

Green Building (BGH) Incentives Guideline for Local Government	Project number/ cost centre:
	21.9022.1-003.00

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0. List of abbreviations

AG	Commissioning party
AN	Contractor
AVB	General Terms and Conditions of Contract for supplying services and work
BGH	<i>Bangunan Gedung Hijau</i> – Green building
DC	Development Cooperation
DED	Detailed Engineering Drawings
DJ EBTKE	Direktorat Jenderal Energi Baru Terbarukan dan Konservasi Energi
EDGE	Excellence in Design for Greater Efficiencies
ESDM	Kementerian Energi dan Sumber Daya Mineral
FK	Expert
FKT	Expert days
GFA	Gross Floor Area
HVAC	Heating, Ventilation, and Air Conditioning
IKI	International Climate Initiative
KZFK	Short-term expert
M&E	Mechanical and Electrical
SETI	Sustainable Energy Transition in Indonesia
ToRs	Terms of reference

1. Context

In Indonesia, GIZ is implementing various energy projects under the umbrella of the Energy Programme Indonesia/ASEAN/Energy Transition Cluster. These projects are commissioned by mainly the German government, represented by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the German Federal Ministry for Economic Affairs and Climate Action (BMWK).

As part of the Energy Programme, GIZ Indonesia is currently implementing a project funded by the International Climate Initiative (IKI) of Federal Government of Germany, called “Sustainable Energy Transition in Indonesia (SETI)”, PN 21.9022.1-003.00.

The SETI project aims to support an effective institutional, regulatory, and financial ecosystem that demonstrates the Indonesian embarkment towards a sustainable energy transition. The project will promote pilots, demonstration, and innovation in industry and with local government unit level to accelerate energy transition at sub-national level. With a multi-level and multi-stakeholder approach, experiences and lessons learnt from different sectors will be brought to the national level informing integrated policies as well as innovative and attractive financing for sustainable energy investments.

The four Outputs of SETI are: (1) The institutional and regulatory framework towards an energy transition is strengthened; (2) Public and private financing instruments for renewable energy and energy efficiency transition project implementation are strengthened; (3) Capacities of Indonesian industries for an energy transition have increased; (4) Capacities in selected local government units to develop a local sustainable energy ecosystem are increased.

SETI is implemented jointly with the political partner, the Directorate General for New and Renewable Energies and Energy Conservation (*Direktorat Jenderal Energi Baru Terbarukan dan Konservasi Energi*, DJ EBTKE) under the Ministry of Energy and Mineral Resources (Kementerian Energi dan Sumber Daya Mineral, ESDM). It further works closely with other line ministries such as Ministry of Public Works, Ministry of Public Housing, Ministry of Home Affairs, and Ministry of Finance.

The government of Indonesia has published Government Regulation 16 year 2021 on the implementation of Law 28 year 2002 regarding building, which one of the content in the regulation is regulating about the implementation of Green building. One of the criteria of green building is that it should be able to conserve energy better, about 25% less than other buildings with similar function. Therefore, increasing the number of green buildings in Indonesia could reduce the fossil-fueled energy consumption from the building subsector, and thus reduce the carbon emissions and contributing to Indonesian eNDC.

Incentives are essential for the public to be interested in taking up regulations. In clause 122 it is stated that the incentive for green buildings will be given by local government, as they are the building permit issuing entity. The types of incentives is already stated in the regulation, however, it still lacks the technical details and implementation guidelines of the stated incentives. Up until now, the local governments in Indonesia also have not issued any derivative regulation regarding green building.

Through discussions with Green Building Secretariat, Ministry of Public Works (PU), there is a need to formulate detailed guidelines on incentive structure for green building as the basis for local government to create their local incentive regulations. Thus, SETI is initiating the support for further implementation of National Green Building regulations by formulating green building incentives guidelines for city/district government. To develop this guideline, it

is essential to gather inputs from related ministerial stakeholders, as this issue relates not only to PU and EBTKE but also other ministries such as Ministry of Home Affairs (Kemendagri) for subnational government related topic and Ministry of Finance (Kemenkeu) for public budget related topic. Equally, it is important to gather inputs from provincial and city/district governments themselves.

2. Tasks to be performed by the contractor

- Task 1: Assessing the fiscal capacity of local government in Indonesia in each category based on Regional Fiscal Capacity regulation (Kapasitas fiskal daerah): low, medium, high, very high. The assessment should include building-sector-related income and expenses and should take example from five case studies from every category. This task includes assessment of regulatory constraints that may limit the allocation of financial resources to green building related incentives. (i.e., City/District have priority allocation). This should result in indicative fiscal “space” that may be used for BGH incentives.
- Task 2: In coordination with GIZ and Ministry of Public Works, develop and execute one FGD with Ministry of Finance and/or related authorities to gain insights of implementation of fiscal incentives by local government and exploring alternatives to support the implementation of fiscal incentives. (event budget will be borne by GIZ except for honorarium for resourceperson)
- Task 3: Develop recommendations on which incentives **during planning phase and operational phase** are suitable for each of Pemda’s fiscal category. Based on the options of incentives provided by Ministry of Public Works, Government Regulation 16/2021 and/or other related regulations, and “Kajian Insentif Bangunan Gedung Hijau di Indonesia: Perspektif Multi Pemangku Kepentingan”. The consultant must also model the impact of certain fiscal incentives on long terms fiscal capacity of the local governments. The matrix should also include various ‘tier’ (levels of financial and non-financial benefits) for each incentive proposed.
 - This incentives recommendation should consider the BGH certification tier (i.e., Utama, Madya, and Pratama) as mentioned in national green building regulation of Indonesia.
 - The recommended incentives must also take into consideration 4 out 7 Orders (Ordo) of fulfilling BGH technical standards, as stipulated in Government Regulation 16/2021 and PUPR Ministerial Regulation 21/2021:
 - New buildings with mandatory requirements;
 - New buildings with recommended requirements;
 - Existing buildings with mandatory requirements;
 - Existing buildings with recommended requirements;
- Task 4: Develop, facilitate, and execute a workshop to disseminate the recommendations, guidelines and roadmap, in coordination with GIZ, Ministry of Public Works, Ministry of Home Affairs, and Ministry of Energy and Mineral Resources, and other relevant stakeholders. (event budget will be borne by GIZ except for honorarium for resourceperson)
- Task 5: Develop final product in the form of:
 - Written guideline (in close coordination with Ministry of Public Works) to local government in Indonesia to implement green building incentives.

- A roadmap document for implementing feasible incentive schemes in local government each jurisdiction.
- Prepare a web tool (e.g. microsite) for local/regional policymakers and the general public to access the fiscal and non-fiscal incentives based on the guidelines and the roadmap. The tool shall support filtering suitable options based on fiscal capacity, ambitious level, timeframe for implementation etc. In coordination with PU's Pusdatin, this web tool will be integrated into PU's website.

Milestones/partial works	Date/location/responsibility	Criteria for acceptance
Output 1: Progress report of task 1 submitted and accepted	31 March 2026	Reviewed and accepted by Ministry of Public Works (proven by email/letter) Estimated man-days: Team Leader: 5 Green Building Expert: 4 IT Expert: 2
Output 2: Progress report of task 3 submitted and accepted	31 May 2026	Reviewed and accepted by Ministry of Public Works (proven by email/letter) Estimated man-days: Team Leader: 13.5 Green Building Expert: 13
Output 3: Final product as stated in task 5 submitted and accepted	30 November 2026	Reviewed and accepted by Ministry of Public Works (proven by email/letter) Estimated man-days: Team Leader: 6.5 Green Building Expert: 3 IT Expert: 8

Please note that report should be written in English and Bahasa.

Period of assignment: from **March 2026** until **31 December 2026**.

3. Concept

In the tender, the tenderer is required to show *how* the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

Technical-methodological concept

Strategy (1.1): The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1). Following

this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 2 Tasks to be performed) (1.1.2).

The tenderer is required to present the actors relevant for the services for which it is responsible and describe the **cooperation (1.2)** with them. Presentation and interaction between the relevant actors in the contractor's area of responsibility. (1.2.1) Strategy for establishing cooperation and then cooperating with the relevant actors. (1.2.2)

The tenderer is required to describe the key **processes** for the services for which it is responsible and create an **operational plan** or schedule (1.4.1) that describes how the services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided. In particular, the tenderer is required to describe the necessary work steps and, if applicable, take account of the milestones and **contributions** of other actors (partner contributions) in accordance with Chapter 2 (Tasks to be performed) (1.4.2).

Project management of the contractor (1.6)

The tenderer is required to explain its approach for coordination with the GIZ project. In particular, the project management requirements specified in Chapter 2 (Tasks to be performed by the contractor) must be explained in detail. (1.6.1)

The tenderer is required to draw up a **personnel assignment plan** with explanatory notes that list all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert days) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule. In case of two or more experts, the tenderer should explain division of tasking and responsibilities (1.6.2).

The tenderer is required to describe its backstopping concept. The following services are part of the standard backstopping package, which (like ancillary personnel costs) must be factored into the fee schedules of the staff listed in the tender in accordance with Section 3.1 of the GIZ AVB (General terms and conditions of contract): (1.6.3)

- Service-delivery control
- Managing adaptations to changing conditions
- Ensuring the flow of information between the tenderer and GIZ
- Assuming personnel responsibility for the contractor's experts
- Process-oriented steering for implementation of the commission
- Securing the administrative conclusion of the project

4. Personnel concept

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

The below specified qualifications represent the requirements to reach the maximum number of points in the technical assessment.

Team leader

Tasks of the team leader

- Overall responsibility for the advisory packages of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, project owners and others involved in the project.
- Personnel management to ensure the deadlines are met.
- Regular reporting in accordance with deadlines.
- Proactively initiating coordination meetings and necessary follow-up to GIZ and political counterpart.
- Assessment of local government fiscal capacity (task 1)
- Coordinating the preparation for FGDs needed as laid out in task 2 and task 4.
- Creating and quality control of the final product (task 5).

Qualifications of the team leader

- Education/training (2.1.1): Bachelor's degree in economy, finance, green building, energy management, policy development.
- Language (2.1.2): C2-level language proficiency in Bahasa and B2-level language in English.
- General professional experience (2.1.3): 15 years of professional experience in regional policy development.
- Specific professional experience (2.1.4): experience working with local government in Indonesia.
- Leadership/management experience (2.1.5): 3 years of leadership experience in a project.
- Regional experience (2.1.6): 10 years of experience in projects in Indonesia.
- Development cooperation (DC) experience (2.1.7): N/A
- Other (2.1.8): Specific experience working on project related to green infrastructure.

Key expert 1: Green Building Expert 1

Tasks of key expert 1

- In coordination with team leader, provide expertise in development of incentives suitable for green buildings regulation and roadmap in Indonesia (task 3)
- In coordination with other team members, execute the FGDs needed as laid out in task 2 and task 4.
- Writing of guideline report (task 5) in close coordination with Ministry of Public Works.

Qualifications of key expert 1

- Education/training (2.2.1): Bachelor's degree in architecture, civil engineering, engineering, urban planning.
- Language (2.2.2): C2 -level language proficiency in Bahasa and B2-level language in English.
- General professional experience (2.2.3): 10 years of professional experience in green building consultancy,
- Specific professional experience (2.2.4): N/A.
- Leadership/management experience (2.2.5): N/A.
- Regional experience (2.2.6): 5 years working in Indonesia.

- Development Cooperation (DC) experience (2.2.7): N/A
- Other (2.2.8): Being a professional in green building certification is a must.

Key expert 2: IT Expert

Tasks of key expert 2

- In coordination with other team members, execute the FGDs needed as layouted in task 2 and task 4.
- Development of web tool (task 5) in close coordination with Ministry of Public Works.

Qualifications of key expert 2

- Education/training (2.3.1): Bachelor's degree in IT.
- Language (2.3.2): C2 -level language proficiency in Bahasa and B2-level language in English.
- General professional experience (2.3.3): 5 years of professional IT consultancy and web developer.
- Specific professional experience (2.3.4): experience in developing tools for government.
- Leadership/management experience (2.3.5): N/A
- Regional experience (2.3.6): 5 years working in Indonesia.
- Development Cooperation (DC) experience (2.3.7): N/A
- Other (2.3.8): N/A.

Soft skills of team members

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

- Team skills
- Initiative
- Communication skills
- Socio-cultural skills
- Efficient, partner- and client-focused working methods
- Interdisciplinary thinking

5. Costing requirements

Assignment of personnel and travel expenses

Per diem 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 (downloadable from the [German Federal Ministry of Finance – tax treatment of travel expenses and allowances for international business travel as of 1 January 2025 \(GERMAN ONLY\)](#)).

Accommodation allowances are reimbursed as detailed in the specification of inputs below.

With special justification, additional Accommodation costs up to a reasonable amount can be reimbursed against evidence.

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

All expenses must be invoiced according to the task allocation and separated per project (mentioned under task 1 to 3).

Sustainability aspects for travel

GIZ has undertaken an obligation to reduce greenhouse gas emissions (CO₂ 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 CO₂ efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option.

CO₂ emissions caused by air travel must be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.

There are many different providers in the market for emissions certificates, and they have different climate impact ambitions. The [Development and Climate Alliance \(German only\)](#) has published a [list of standards \(German only\)](#). GIZ recommends using the standards specified there.

Specification of inputs

Fee days	Number of experts	Number of days per expert	Total	Comments
Designation of Team Leader	1	25	25	Approximate
Designation of Expert 1	1	20	20	Approximate
Designation of Expert 2	1	10	10	Approximate
Travel expenses	Quantity	Number per expert	Total	Comments
Per-diem allowance in country of assignment	N/A	N/A	N/A	N/A
Overnight allowance in country of assignment	N/A	N/A	N/A	N/A
Transport	Quantity	Number per expert	Total	Comments
International flights	N/A	N/A	N/A	N/A
Domestic flights	N/A	N/A	N/A	N/A
Carbon offsets for flights	N/A	N/A	N/A	N/A

Travel expenses for train	N/A	N/A	N/A	N/A
Other travel expenses	N/A	N/A	N/A	N/A
Other costs	Number	Price	Total	Comments
Flexible remuneration	N/A	N/A	N/A	N/A
Workshops				N/A
Subcontracts				N/A
Procurement of materials and equipment				N/A
Local contributions				N/A
Other costs				N/A

contracts for works:

The following basic calculations for the contract for works are a reference value based on the acceptance criteria for each partial work/milestone specified in Chapter 2 (Tasks to be performed by the contractor).

Since the contract to be concluded is a contract for works, we would ask you to offer your services at a lump sum price.

In addition, the assessment of the financial bid is also based on the underlying daily rate. Please also provide the underlying daily rate. A breakdown of days is not required.

Description	Name of the Expert	Quantity up to	Unit	Type of reimbursement	Comments
Output 1: Progress report of task 1	Team	1	1	Lump sum	Output based
Output 2: Progress report of task 3	Team	1	1	Lump sum	Output based
Output 3: Final product	Team	1	1	Lump sum	Output based

6. Requirements on the format of the tender

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

The complete tender must not exceed 15 pages (excluding CVs). 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.

The CVs of the personnel proposed in accordance with Chapter 4 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages each. They must clearly show the position and job the proposed person held in the reference project and for how long. The CVs can also be submitted in English.

Please calculate your financial tender based exactly on the parameters specified in Chapter 5 Quantitative requirements. The contractor is not contractually entitled to use up the days, trips, workshops or budgets in full. The number of days, trips and workshops and the budgets will be contractually agreed as maximum limits. The specifications for pricing are defined in the price schedule.

As the contract to be concluded is a contract for works, please offer a fixed lump sum price that covers all relevant costs (fees, travel expenses etc.). The price bid will be evaluated on the basis of the specified lump sum price. In addition, please also provide the underlying daily rate. A breakdown of days is not required.

7. Annexes

- Minimum standards for sustainable event management at GIZ