Terms of reference (ToR) for the procurement of services

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

CONFIDENTIAL

Supports LLBR Palm Sugar Production House Development
Project number/Cost Centre: 21.2169.7-001.04 / G-011844-001
Internal Order: 11844010000

I. General information

1. Brief information on the project

FORCLIME is a part of the GIZ programme. The overall goal of the program is to reduce greenhouse gas emissions from the forestry sector while improving the livelihoods of Indonesia's poor rural communities. In order to achieve this goal, the Program Team will support the Government of Indonesia in designing and implementing legal, policy and institutional reforms for the preservation and sustainable management of forests, at the local, provincial and national levels. FORCLIME's geographical focus is East Indonesia and the Provinces of Central Sulawesi, Papua and West Papua. Support for the implementation of international forestry policy mechanisms at the local level, including REDD+ under the Climate Change Convention and the Access and Benefit Sharing Mechanism (ABS) established under the Convention on Biological Diversity is an important feature of the program, and produces decision-makers with experience on how international concepts can be implemented on the ground

Palm sugar is a natural sweetener obtained from the sap of the sugar palm tree (Arenga pinnata Merr.). In Indonesia, palm sugar has long been an integral part of the culture and economy of rural communities, especially in palm-growing areas. Beyond its traditional sweetener, palm sugar has significant potential to be developed into a variety of innovative products with high added value. This aligns with the global trend for natural, healthy, and sustainable food and beverage products. Developing palm sugar derivatives will not only increase competitiveness in local and international markets but also has the potential to open new economic opportunities for palm farmers. Beyond the economic aspect, developing palm sugar products also supports environmental sustainability.

The sugar palm tree is known as a versatile plant that maintains soil and water conservation and provides a variety of non-timber forest products. By encouraging the development of the palm sugar industry, we indirectly contribute to preserving the ecosystem and local culture closely linked to the palm tree. This potential is reinforced by research by Wulandari et al. (2021) published in the "Jurnal Ilmu Pertanian Indonesia," which emphasizes the importance of developing palm-based products to support a circular economy and sustainable development in rural areas. Therefore, investment in research and development of palm sugar products is not merely a commercial endeavor, but also a strategic step to achieve food security, community welfare, and environmental sustainability.

The German Federal Ministry for Economic Cooperation and Development (BMZ) through GIZ-FORCLIME recognizes the importance of this activity to Supporting the Development of Palm Sugar Products in the Lore Lindu Biosphere Reserve Area. This support is under Output 2. Main Activity 2.2.2 Activity 1. Support Suply Chain Palm Sugar Development in LLBR through Capacity building for Gula Aren Batok farmer groups and Gula Semut cooperatives.

2. GIZ shall hire the contractor for the anticipated contract term, from 16 November 2026 to 30 December 2026 in the construction location in Bakubakulu Village, Salua Village and Maku Village

3. The contractor shall provide the following work:

   The Contractor shall provide the following work/service. Conducting the development of facilities and infrastructure for the palm sugar supply chain and its production tools, but not limited to:

Output 1. 2 units Preliminary work, earthwork and sand work, and structural work on the Gula Aren Batok facilities have been completed

Output 2. 1 unit Wall, roof, ceiling, architectural, electrical, and structural work on the Gula Semut facilities have been completed

Milestones/ partial works	**Deadline/place/person responsible**	**Criteria for acceptance**	**Payment Term**
Output 1: Preliminary work, earthwork and sand work, and structural work on the Gula Batok facilities have been completed	30 November 2026	1. 2-units 100% Work completed according to approved drawings and specifications. 2. Materials and quantities match the agreed Bill of Quantity. 3. Submission of warranty (if any) and handover report (before-after picture) signed by both parties	**First payment 95%** (after all works completed and certified by GIZ)
Output 2: Wall, roof, ceiling, architectural, electrical, and structural work on the Gula Semut facilities have been completed	30 November 2026	1. 1 unit 100% Work completed according to approved drawings and specifications. 2. Materials and quantities match the agreed Bill of Quantity. 3. Submission of warranty (if any) and handover report (before-after picture) signed by both parties	
Retention	15 December 2026		**Final payment** 5% (will be released after the defects liability period has expired, provided the Works are free of defects)

II. Tender requirements

1. Qualifications of the company

- The provider has experience in booths construction, handling and time management up to installation of agreed products on site and production referring to the prepared design
- Companies with construction permits can be CV or PT with active construction SBU (Business Entity Certificate)
- Have at least 3 years' construction experience in building and housing
  Have NIB (Business Identification Number) and registered annual tax (SPT).

Annexes

- Design "Denah Rumah Gula Batok" and "Denah Rumah Produksi Gula Semut".

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