

REQUEST EXPRESSION OF INTEREST

INDIVIDUAL CONSULTANT

NATIONAL EXPERT

“BLUE CARBON POLICY SPECIALIST”

For Project LAUTRA – Component 3

Grant No: TF0C0368

Reference No. 01/UKPBJ.ST.04/05/2024

The Indonesia Climate Change Trust Fund (ICCTF) - Ministry of National Development Planning (Bappenas) through the Oceans for Prosperity Project (Lautan Sejahtera, LAUTRA) aims to strengthen government management capacity, data, and information systems, and to encourage enabling policies to leverage blue finance for enhanced coastal and marine management and livelihoods. Individual consultant is needed for the following position:

Position: BLUE CARBON POLICY SPECIALIST

Main task:

The main objective of this consultancy is to develop a policy roadmap that outlines strategies for enhancing the carbon value in MPAs and to provide policy recommendations for realizing scalable non-tax revenue options, with a focus on blue carbon initiatives. To complete this assignment the consultant will work closely with the Bappenas, the ICCTF Team, and coordinate with the World Bank team.

The duration of the contract is expected to be completed within 16 months. The detailed Terms of Reference (TOR) for the assignment can be found in the attachment.

Selection Criteria

The minimum qualifications of candidates are as follows:

- The assignment for Blue Carbon Policy Specialist is requires consultant with extensive experience in sustainable financing and financing strategy development along with experience with Government of Indonesia’s budgeting systems and structures
- Advance Degree (Master’s degree) in finance/ economics/ public policy/ environmental management or a related field, supplemented by additional certifications or training in sustainable finance or financial management. A doctoral degree would be advantageous.
- At least 10 years’ experience in the field of sustainable natural resource management, with a preferred focus on sustainable finance, blue and/or green finance, private sector development, and related policies.

- Have experience and proven track record of work and publications relevant to sustainable financing policies in the Indonesia context; and/or innovative financing mechanism and instruments in support to the blue and/or green economy (e.g. blended finance, impact investment, green/blue bonds etc.) within Southeast Asia and Indonesia
- Familiar with sustainable business diversification and growth in coastal communities preferably within Southeast Asia and Indonesia
- Fluency in English and excellent written communication skills in English required can be proven through official certification of language skills or Publications/writings in English or foreign graduates are excluded for this requirement.
- Experience in multidonor funded project e.g. World Bank, ADB, etc.
- Familiar in working with the Government of Indonesia preferred; in particular with the Ministry of Finance or Ministry of National Development Planning or Ministry of Environment and Forestry or Ministry of Marine Affairs and Fisheries, or Provincial Government, or the National Research and Innovation Agency.

Term of Offer

Interested applicant must submit the following documentation :

- Comprehensive curriculum vitae of individual consultant.

Interested candidates should submit the proposal before June 11st 2024 at 16.00 WIB to the following address :

**Pokja IV Unit Kerja Pengadaan Barang/Jasa
Kementerian PPN/Bappenas
Email : ulp@bappenas.go.id**

Jakarta, May 27th 2024

REPUBLIC OF INDONESIA

Indonesia Ocean for Prosperity Project (LAUTRA) PROJECT

Request for Proposals

Terms of Reference for Project Component 3/Sub-Component 3.1

Consultancy Title: **Blue Carbon Policy Specialist**

Implementing Agency: Indonesia Climate Change Trust Fund / ICCTF – Ministry of National Development Planning

A. BACKGROUND

The Oceans for Prosperity Project (*Lautan Sejahtera*, LAUTRA) will support implementation of key policy recommendations from the Oceans for Prosperity by (i) investing in Marine Protected Areas (MPAs)¹ management effectiveness (ii) enhancing fisheries monitoring and strengthening fisheries management institutions for more effective management of priority fisheries; (iii) promoting diversified livelihoods and business growth in coastal communities through investments in infrastructure, business skills-building, and access to finance programs; and (iv) developing the systems to provide a sustainable flow of financing for MPA management and the development of coastal community livelihoods.

MPAs conserve marine and coastal ecosystem services and MPAs are a key nature-based solution to promote climate adaptation and mitigation. Effectively managed MPAs have the potential to deliver ecological and socioeconomic benefits² that far exceed their capital and operational investment. According to United Nations Environment Programme (UNEP) and Ministry of Maritime Affairs and Fisheries (MMAF) data, between 0.08³ and 15 percent⁴ MPAs are managed effectively in Indonesia. Responding to international commitments to protect marine and coastal habitats (for example, Aichi Biodiversity Targets and the Sustainable Development Goals), the Government of Indonesia (GoI), supported by the World Bank-financed Coral Reef Rehabilitation and Management Program (COREMAP, P127813), has established 201 MPAs encompassing 24.1 million hectares (ha)⁵ and containing around 40 percent of Indonesia's coral reef and seagrass meadow areas and 25 percent of mangrove forests.⁶ The GoI further aims to expand the MPA network to 32.5 million ha of *effectively managed* MPAs by 2030.⁷ Technical Guidelines and Partnerships for evaluating conservation area effectiveness (*Evaluasi Efektivitas*

¹ Indonesia's regulatory framework adopts the IUCN definition of an MPA as "a clearly defined geographical marine space, recognised, dedicated, and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values."

² Campbell et al. (2020). "Fishing Restrictions and Remoteness Deliver Conservation Outcomes for Indonesia's Coral Reef Fisheries."

³ UNEP-WCMC and IUCN. (2021). "Protected Planet: The World Database on Protected Areas." Accessed March 2021.

⁴ MMAF. (2018). "Our MPAs: Sharing Plans, Investments, and Responsibilities."

⁵ MMAF. (2021). MPA management Status in 2020.

⁶ Amkieltiela et al. (2022). "The rapid expansion of Indonesia's marine protected area requires improvement in management effectiveness."

⁷ Republic of Indonesia (2020). The National Medium-Term Development Plan 2020–2024; Indonesia National MPA Vision 2030.

Pengelolaan Kawasan Konservasi, EVIKA)⁸ were recently established to support meeting this goal and to ensure MPAs are delivering targeted biophysical and socioeconomic benefits. An EVIKA Gold rating denotes a “sustainably managed” MPA, Silver an “optimally managed” MPA, and Bronze a “minimally managed” MPA.

To increase the contribution of MPAs to the sustainability of fisheries, MPAs need to be better integrated into wider fisheries management planning. Indonesia’s oceans are divided into 11 Fishery Management Areas (*Wilayah Pengelolaan Perikanan, WPP*), with 38 percent of fish stocks currently overfished.⁹ Recent stock assessments¹⁰ indicate that coral reef fisheries are overexploited in eight of the 11 WPPs and represent one of Indonesia’s most overexploited fish stocks. The GoI recently took steps to strengthen fishery management frameworks, and key institutions need to be operationalized, including a central Fishery Management Council (*Lembaga Pengelolaan Perikanan, LPP*) and WPP-level Fishery Management Units (*Unit Pengelolaan Perikanan, UPP*) that incorporate stakeholder coordination structures.

Indonesia’s MPAs are also expected to deliver socioeconomic benefits, especially enhanced access to economic opportunities¹¹ for local communities by encouraging investments in small community institutions and coastal enterprises, in the sustainable tourism, fisheries, and aquaculture sectors. The MPA zoning system includes areas dedicated to the development of these three sectors. A stronger MPA management framework will also help prioritize and target local investments in sustainable small-scale infrastructure and MSMEs. There is also a need to increase finance for and investment in MSMEs in villages in and around MPAs, especially for women-led MSMEs. The success of coastal enterprises is limited due to remoteness, poor market linkages and value-chain integration, as well as gaps in basic infrastructure and services. Several financial institutions offer financial services to marine sectors, but access to these sources of capital and credit is limited for many coastal enterprises in the informal sector, due to information asymmetry and limited capacity of coastal enterprises. Barriers for women are further exacerbated by traditional gender norms, which drive disparities in asset ownership, decision-making, and access to finance and technical support, leading to low levels of female business ownership and higher exposure of women to economic shocks.

Sustaining MPAs and resilient communities will require enhanced access to blue finance,¹² particularly targeted to: (i) MPA operational and capital investments, (ii) infrastructure to support coastal livelihoods and value chains, and (iii) access to financial services for coastal MSMEs. Mobilizing blue finance is critical

⁸ DG Marine Spatial Management decree 28/KEP-DJPRL/2020 on Technical Guidelines for Evaluating Conservation Area Effectiveness; Ministerial Regulation 21/PERMEN-KP/2015 on Partnerships for Marine Conservation Area Management.

⁹ Ministerial Regulation 19/KEPMEN-KP/2022 on Estimation of Potential, Total Allowable Catch, and Utilisation of Fish Resources in the Fishery Management Areas of the Republic of Indonesia.

¹⁰ Ministerial Decree 19/KEPMEN-KP/2022 on Estimation of Potential, Total Allowable Catch, and Utilisation of Fish Resources in the Fishery Management Areas of the Republic of Indonesia

¹¹ “Access to economic opportunities” is defined in this project as access by individuals and MSMEs to improved infrastructure and facilities, and/or receipt of business development assistance, and/or receipt of financial instruments; for activities associated with sustainable coastal enterprise.

¹² Blue finance refers to the capital required to preserve and restore oceans and to promote their sustainable use.

since the national budget (State Revenue and Expenditure Budget, APBN)¹³ amounts to only 20 percent of the *funding* required to meet the GoI's marine and fisheries sector targets, including MPAs. Indonesia is also the largest impact investing market in Southeast Asia in terms of both capital deployed and number of transactions, facilitating potential access to a blue finance market. Yet, two sets of key challenges hinder the development of robust blue finance instruments. First is the uncoordinated enabling environment, including poor coordination among government institutions, development partners, and the private sector, the lack of consistent policies (particularly for the rapidly developing blue carbon market and payments for ecosystem services), suboptimal government expenditure in the fisheries and marine sector, and the lack of an agreed monitoring and reporting framework for blue finance. The second relates to undefined financing requirements and strategies encompassing the operating and capital requirements for MPAs and investments in coastal infrastructure as well as intermediary financing for MSMEs.

LAUTRA aims to strengthen government management capacity, data, and information systems, and to encourage enabling policies to leverage blue finance for enhanced coastal and marine management and livelihoods. LAUTRA builds on successful past operations such as COREMAP to address the complexities and sequencing of interventions inherent in reforming the blue economy within the world's largest archipelagic nation and second largest national fishery. LAUTRA advances Indonesia's *national* and international commitments to develop the blue economy. The project will also contribute to the implementation of the Enhanced Nationally Determined Contributions actions, such as protection of MPAs and improving the livelihoods of communities living in coastal areas.

LAUTRA strengthens coastal resilience by improving management of marine protected areas and coral reef fisheries; improving the economic opportunities of local communities and MSME's in sustainable fisheries, tourism, and aquaculture; and building government capacity to mobilize associated sustainable blue financing. The investments in Components 1 and 2 will inform the development of the sustainable blue finance strategies in Component 3, along with enabling environment investments. With respect to Project components, full details can be viewed through the link to the World Bank Projects and Operations website for this project. Proponents should familiarize themselves with the [Project Information Document \(PID\) available online](#) in so far as it is necessary to deliver on these Terms of Reference (ToR).

To support the implementation of Component 3 in particular to assist in policy recommendations for realization of scalable non-tax revenue options for MPA related to blue carbon, the Blue Carbon Policy Specialist Consultant for Carbon Value Enhancement in MPAs and Non-Tax Revenue Development will be recruited.

B. REGULATORY CONTEXT

- Law Number 16 of 2016 concerning the Ratification of the Paris Agreement.

¹³ National Medium-Term Development Plan 2020–2024.

- Republic of Indonesia Law Number 9 of 2018 concerning Non-Tax State Revenue
- Law No. 7 of 2021 concerning the Harmonization of Tax Regulations (HPP) which includes a chapter on carbon taxation.
- Presidential Regulation No. 98 of 2021 concerning the Implementation of Carbon Economic Value (NEK) for the Achievement of National Contribution Targets (Nationally Determined Contribution/NDC) and the Control of Greenhouse Gas Emissions in National Development.
- Ministry of Environment and Forestry Regulation No. 21 of 2022 concerning the Implementation of Carbon Economic Value.
- Regulation of the Coordinating Ministry for Maritime Affairs and Investment of the Republic of Indonesia Number 5 of 2022 concerning the Structure and Work Procedures of the Steering Committee for the Implementation of Carbon Economic Value for the Achievement of Nationally Determined Contribution Targets and the Control of Greenhouse Gas Emissions in National Development.
- Circular Letter of the Financial Services Authority Number 12/SEOJK.04/2023 concerning the Procedures for Carbon Trading Through Carbon Exchanges.
- Financial Services Authority Regulation Number 14 of 2023 concerning Carbon Trading Through Carbon Exchanges.
- Ministry of Finance Regulation Number 58 of 2023 concerning Amendments to Ministry of Finance Regulation Number 155/PMK.02/2021 concerning Procedures for Non-Tax State Revenue Management

C. OBJECTIVES AND SCOPE OF WORKS

The main objective of this consultancy is to develop a policy roadmap that outlines strategies for enhancing the carbon value in MPAs and to provide policy recommendations for realizing scalable non-tax revenue options, with a focus on blue carbon initiatives.

Scope of Work

The scope of works for the consultant is to develop a policy roadmap to enhance carbon value in MPAs and provide policy recommendations to realize scalable non-tax revenue options (including blue carbon) for Project Component 3 – LAUTRA as outlined below:

1. Conduct a detailed analysis of current policies related to MPAs and carbon valuation (at the national and provincial level).

2. Identify best practices and successful models from around the world for enhancing carbon value in MPAs in Indonesia.
3. Analyze potential non-tax revenue streams for MPAs, including tourism, fisheries, and other sectors, particularly focusing on blue carbon.
4. Develop policy roadmap to enhance carbon value in MPA and livelihood for target communities at the national and provincial level
5. Prepare, formulate and present policy recommendations and regulatory instruments on alternative non-tax revenue options (in addition to carbon) with potential for national scale-up (e.g., tourism related fees) at the national and provincial level
6. Engage with stakeholders, including environmental experts, policymakers, and MPA managers, to gather insights and perspectives including facilitate workshop/FGD.
7. Develop a policy roadmap that includes short-term and long-term strategies for enhancing carbon value in MPAs
8. Assess the environmental, economic, and social impacts of the proposed policies and revenue models.
9. Lead the compilation, review and synthesis of references, projects and publications related to blue finance relevant to the Indonesia context that will contribute to the development of financing strategy, public expenditure review, development of monitoring and reporting framework, and investment proposal development.
10. Participate in and coordinate policy dialogue with partners and counterparts, including government entities, such as the Ministry of Finance (MoF), Ministry of National Development Planning (*BAPPENAS*), Ministry of Marine Affairs and Fisheries (MMAF), Ministry of Environment and Forestry (MoEF), Ministry of Home Affairs (MoHA), Coordinating Ministry for Maritime and Investment Affairs (CMMIA), Bank Indonesia, Financial Services Authority of Indonesia (*OJK*), Blue Finance Advisory Committee (BFAC) as well as with other partners relevant to blue finance issues, such as development partners (e.g. WB, ADB, UNDP), NGOs and the private sector.
11. Engage directly with MoF, Bappenas, MMAF, and relevant partners in the adoption of consultant recommendation and development of financing proposal
12. Provide technical support to PIU LAUTRA and ICCTF regarding the delivery of relevant training session or knowledge events to build awareness and capacity in blue finance topics in priority government agencies.

D. DELIVERABLES

Consultant for Blue Carbon Policy Specialist will be responsible for delivering the following expected deliverables:

1. Policy Roadmap for enhancing carbon value in MPAs and related livelihood impacts for target communities.
2. Policy recommendations for realization of scalable non-tax revenue options for MPA related to blue carbon and tourism.
3. Documents related to comprehensive policy roadmap for enhancing carbon value in MPAs with emphasis on blue carbon pilot projects.
4. Report containing policy recommendations for scalable non-tax revenue options, focusing on blue carbon.
5. Stakeholder engagement summary, highlighting insights and feedback.
6. An impact assessment report evaluating the potential outcomes of the proposed policies and revenue models.
7. Final presentation summarizing key findings and recommendations.
8. Document related to other relevant tasks.

E. TIME SCHEDULE

The assignment for Blue Carbon Policy Specialist is expected to be for 16 months and contract renewal or extension will be considered based on the performance evaluation, project needs, and budget availability. Any decision regarding contract renewal or extension will be communicated to the consultant with at least three months' notice to allow for adequate planning and preparation. This arrangement ensures that the consultant's performance is regularly assessed and that the project's requirements and budget constraints are taken into account when determining contract extensions.

F. QUALIFICATION REQUIREMENTS

The assignment for Blue Carbon Policy Specialist requires the following qualifications:

1. Advance Degree (Master's degree) in finance/ economics/ public policy/ environmental management or a related field, supplemented by additional certifications or training in sustainable finance or financial management. A doctoral degree would be advantageous.

2. At least 10 years' experience in the field of sustainable natural resource management, with a preferred focus on sustainable finance, blue and/or green finance, private sector development, and related policies.
3. Have experience and proven track record of work and publications relevant to sustainable financing policies in the Indonesia context; and/or innovative financing mechanism and instruments in support to the blue and/or green economy (e.g. blended finance, impact investment, green/blue bonds etc.) within Southeast Asia and Indonesia
4. Familiar with sustainable business diversification and growth in coastal communities preferably within Southeast Asia and Indonesia
5. Fluency in English and excellent written communication skills in English required can be proven through official certification of language skills or Publications/writings in English or foreign graduates are excluded for this requirement.
6. Experience in multidonor funded project e.g. World Bank, ADB, etc.
7. Familiar in working with the Government of Indonesia preferred; in particular with the Ministry of Finance or Ministry of National Development Planning or Ministry of Environment and Forestry or Ministry of Marine Affairs and Fisheries, or Provincial Government, or the National Research and Innovation Agency.

G. REPORTING

All deliverables and reports should be submitted to the Executive Director ICCTF after the completion of the reports.

1. Inception Report

- Initial project understanding, scope, and action plan.
- Introduce methodology for stakeholder engagement and data collection.
- Provide a work plan with detailed timelines for all deliverables.

2. Progress Report on Best Practices and Successful Models

- Best practices for enhancing carbon value in MPAs.
- Identification of applicable models for Indonesia and potential non-tax revenue streams.
- Preliminary recommendations for policy and implementation strategies.

3. Progress Report: Draft Policy Roadmap and Recommendations

- Draft policy roadmap
- Draft policy recommendations for alternative non-tax revenue options, focusing on blue carbon and tourism.
- Assessment on environmental, economic, and social impacts of proposed policies.

4. Progress Report: Stakeholder Engagement Summary Report

- Summary of insight and feedback from stakeholder engagement activities.
- Key perspectives on the proposed policy roadmap.
- Challenges and opportunities for stakeholder collaboration.

5. Final Report

- Presentation on executive summary and detailed findings.
- Final policy roadmap for enhancing carbon values in MPAs and livelihoods for target communities; and present to MMAF
- Final policy recommendations for alternative non-tax revenue options, focusing on blue carbon and tourism and present policy recommendations to MMAF
- Propose an implementation plan with stakeholder roles and a monitoring framework.

H. PROCEDURE FOR PAYMENT

The Blue Carbon Policy Specialist will be paid in stages based on the tasks performed, which will be described in detail in the Progress report to be approved by the Executive Director. Payment will be made according to the submission of progress of work results and the timing of payment terms as follows:

No.	Deliverable	Presentase	Expected Timeline
1.	Inception report	10% of the contract amount	2 months calendar since the contract signed
2.	Progress Report 2	20% of the contract amount	6 months calendar since the contract signed
3.	Progress Report 3	25% of the contract amount	9 months calendar since the contract signed
4	Progress Report 4	25% of the contract amount	12 months calendar since the contract signed
5.	Final Report	20% of the contract amount	16 months calendar since the contract signed

I. FUNDING

The funding for the Blue Carbon Policy Specialist position will be allocated from the budget designated for Component 3.1 of the LAUTRA Project within the MWA ICCTF Working Unit (Satker) under the Ministry of National Development Planning/Bappenas. The contract type for this position will be a **lump-sum contract**,

indicating that a fixed amount will be paid for the services rendered. The position will be based in the **ICCTF's Jakarta office**, providing direct support and coordination within the project's operational.