

ANNOUNCEMENT

CALL FOR *EXPRESSIONS OF INTEREST*
FOR

RENEWABLE ENERGY PROJECT DEVELOPMENT SUPPORT

(INDONESIA)

DEADLINE FOR APPLICATION : **30th November 2017**, 17:00 JAKARTA TIME

I. Background and Objectives

Based in Seoul, The Global Green Growth Institute (GGGI) is an intergovernmental organization founded to support and promote a model of economic growth known as "green growth", which targets key aspects of economic performance such as poverty reduction, job creation, social inclusion, and environmental sustainability. GGGI works with countries around the world, building their capacity and working collaboratively on green growth policies that can impact the lives of millions.

In Indonesia, GGGI is specifically working to help the Government of Indonesia to achieve its renewable energy targets. GGGI recently entered the second phase of the GOI-GGGI Green Growth Program (GGP) for 2016-2019 in close cooperation with the Ministry of Planning (Bappenas). The GGP includes renewable energy (RE) project development as a key component. As a part of the program, GGGI is committed to deliver at least 2 bankable green projects in the field of solar PV, Biomass and through increased energy efficiency projects.

For that reason, **GGP is now issuing a Call for Expression of Interest (EOI) to identify professional developers who are interested in developing renewable energy projects or energy efficiency projects in Indonesia.** GGP shall consider engaging with the projects submitted based on the risks associated and the impact these projects/program seek to make at the national or sub – national level. GGP may also look to aggregate from the pool of projects to develop an investment program that is of national significance.¹. Details on the project specifications that are eligible for consideration under this Call for EOI are provided in the following sections.

Interested parties should submit an EOI in accordance with the detailed instructions as set forth in the Annexes. **Only those that respond to this EOI and whose submissions which satisfy the minimum requirements shall be considered as GGGI's project partners.** The potential partners submitting an EOI shall bear the full costs and expenses for the preparation and submission of its EOI whether or not they are ultimately selected as project partners.

GGGI is working in Indonesia to reduce project risks and enable capital flows in the renewable sector. In conjunction with the Government and project proponent (where applicable), GGGI will conduct required derisking measure for the selected projects to make them bankable. These projects can also be benefited by GGGI's partnership with financing sources (debt and equity providers). Using these first in-line high risk projects as a demonstration, GGGI shall look to open

¹ However, GGGI retains sole and exclusive right to choose or not to choose a project for further follow up and action.

the sector for more private sector participation and thus support the Indonesia Government meet its renewable energy targets.

II. Categories and eligibility for project development support

The green growth secretariat is open to support new projects, specifically developed for the purpose of initiating a partnership in target provinces as outlined in table below. Applicants can select any potential districts under those provinces to be proposed in their EOI proposals. In case of a new province is selected, then the Applicants must request the Governor and/or related District Head to submit a formal letter to Bappenas cc to GGGI for approval.

No	Category	Minimum Capacity	Location	Maximum Distance to PLN Grid	Description
1	Biogas Power Plant	1MWe per project site Production capacity: 40 tons/hour	Central Kalimantan and East Kalimantan	20km	Electricity generated from POME's biogas; and commercially produced and run by an IPP
2	Solar PV Power Plant	1 MWp per project site Preference will be for larger size projects (aggregation is allowed) or which solve a major regional concern (energy access)	Central Kalimantan, East Kalimantan and NTT ²	20km (if grid connected). For Off-grid, this is not applicable.	Electricity generated from sun which is commercially produced and run by an IPP
3	Energy Audits	N/A	East Kalimantan and Central Kalimantan	N/A	Only applicable for industry/factories

² Pending government approval, currently under review

III. Support Types

The development support includes project preparation activities absorbing early stage risks associated with the project. Depending on the project proposals and identified risks by the applicants, GGGI may consider to support the following;

1. Financial structuring advise on the project; providing access to the suitable source of finance
2. Legal advisory for PPA to enhance the bankability of PPA
3. Required stakeholder engagement for the project PPA/financing
4. 4. Pre – FS assessments or partial assessments³
5. Design of risk reducing instruments eg. tariff support, guarantees etc.

In addition, GGGI may also consider to create an aggregation pool of projects to make an investment program to de-risk the sector and drive in the required finance for the projects.

Basically, the full FS document is anticipated to comprise of the following studies: 1) Legal, 2) Technical, 3) Financial, 4) Interconnection Study, and 5) Environmental, Social and Gender Impact. All these aspects would be specifically evaluated considering tangible regional/provincial limitations, if any. The responsibility and the cost for accomplishing these studies can be shared and split between parties³(GGGI and applicant) as described in a cooperation agreement, in form and content acceptable to GGGI that may be entered into by the parties (the “Cooperation Agreement”).

IV. Implementation Timeframe

Given the time and location constraints, GGGI is interested to see EOI proposals from applicants that demonstrate a partnership approach and meet the minimum requirements. It is estimated that Pre-FS and energy audit will require 2-4 months while full FS development will require 5-6 months after the signing of Cooperation Agreement.

³ The engagement of consultants to carry out pre-FS and/or full FS will be in accordance with GGGI procurement rules and procedures, and GGGI will be solely responsible to appoint and manage such consultants. GGGI will work in parallel with the developer to help reduce project bankability risks. The intellectual property rights in relation to the study will be the sole and exclusive property of GGGI; provided however that, in relation to studies co-financed, GGGI may grant the co-financier a perpetual, royalty-free, non-transferable and irrevocable license to use such study for its own internal purposes.

V. Eligibility Requirements

GGGI will undertake a screening of all submitted EOI's against a set of eligibility and assessment criteria outlined below. Only those that respond to this EOI and whose submissions pass the eligibility criteria shall be considered for having further discussion on the Cooperation Agreement.

1. The Applicant must be an entity legally registered in Indonesia and authorized to conduct all activities relevant to the purpose of the partnership. The Applicant (if single organisation) and/or Lead Partner must have an established office or a representative office in Indonesia.
2. The Applicant (and its Consortium Partners) should **provide the following**:
 - a. For Biogas Power Plant Supports:
 - i. For FS preparation request, there is already a pre-FS or a documented commitment from the project owner to build the project.
 - ii. For pre-FS request, there is documented access to or ownership of the feedstock supply (POME).
 - b. For Solar PV Power FS request, the project owner/project developers should submit a pre-FS completed within previous 2 years.
 - c. MoU or any agreement with Partner (e.g. Palm Oil Mill, manufacturing company). Project having some kind of valid written agreement with PLN and/or local government would be prioritised.
 - d. Other documents to meet co-financing requirements for developing the full FS document.
3. The Applicant (and/or Lead Partner) with a proven track record in developing, managing, and implementing renewable projects in Indonesia or Asian region would be prioritised.
4. For any selected/approved request (as a prerequisite condition **before appointing** any consultants for the assessments), legal due diligence on the proposing organisation/consortium could be done by GGGI or its appointed lawyers/experts. This cost, if any, shall be shared by both the parties on a 50-50 basis with prior consent from the project proponent.

VI. Application Content

The EOI shall include the following three documents:

A. A Cover Letter

The letter should convey the Applicant's Expression of Interest to partner with GGGI, including the value of co-financing and remainder to be financed by GGGI. The letter should be signed by the highest decision maker/CEO of the organisation. Please use the template in Annex 1.

B. Organizational Overview

The overview should include the information regarding the applicant/lead organization members of consortium (if applicable). Please use the template provided in Annex 2.

C. Project Overview

The document should outline the project rationale and objectives, technical approach, feedstock supply (for POME), indication of land ownership, indication of financing source for the project development (equity/loan), timeline for completing the pre-FS and full FS since the signing of the Cooperative Agreement, and budget (total cost of pre-FS and full FS development). Please use the template in Annex 3.

All submitted documents should be in English.

VII. Timeline and Submission Information

The complete EOI Application (Cover Letter, Organisational Overview, and Project Overview) should be submitted in electronic copy.

EOI deadline: no later than 30th November, 2017 at 17:00 Jakarta time.

Upon review of your EOI, GGGI may request additional information or clarification to determine project eligibility. You will be notified via e-mail and asked to follow up accordingly.

Electronic copy of the complete EOI should be e-mailed to: dessi.yuliana@gggi.org and shashank.swan@gggi.org with subject "EOI Submission - [Project Title]".

Annex 1 | Cover Letter - Expression of Interest

EXPRESSION OF INTEREST FOR GGGI PROJECT DEVELOPMENT SUPPORT

To:

Green Growth Program - Indonesia

Joint Secretariate Government Indonesia and GGGI Green Growth Program

Ministry of National Development Planning/BAPPENAS

Wisma Bakri 2, 5th Floor

Jl. H.R. Rasuna Said Kav. B-2 Kuningan

Jakarta Selatan – Indonesia

Attn. Ms. Anna van Paddenburg

Indonesia Country Representative

[Place, Date/Month/Year]

Dear Sir,

We undersigned, [name of organization], are [type of organization] based in [complete address of organization, including country location].

Herewith, we would like to convey our interest to partner with GGGI and the Green Growth Secretariat.

The total cost of GGGI support being proposed for the purpose of this collaboration is **US\$ [insert amount]**, of which **US\$[insert amount]** will be our contribution (**US\$ -insert amount**), while the remaining **US\$[insert amount]** is expected to be provided by GGGI.⁴ We are more than happy to discuss any details regarding our Expression of Interest Application as requested.

Sincerely Yours,

[Signature of the Applicant's Representative]

[Name & Position of Applicant's Representative]

⁴ The engagement of consultants to carry out pre-FS and/or full FS will be in accordance with GGGI procurement rules and procedures, and GGGI will be solely responsible to appoint and manage such consultants. The intellectual property rights in relation to the study will be the sole and exclusive property of GGGI; provided however that, in relation to studies co-financed, GGGI may grant the co-financier a perpetual, royalty-free, non-transferable and irrevocable license to use such study for its own internal purposes.

Annex 2 | Organisational Overview

Applicant information provided below must describe and provide adequate information as to how the Applicant is compliant with Organizational Eligibility requirements.

A.	ORGANIZATION INFORMATION	
1	Organization Name	
2	Organization Address	
	Postal Address	
	Phone / Fax	
	Website	
3	Country Registration <i>(The Applicant (if single organization) and/or Lead Partner must have an established or a representative office in Indonesia.)</i>	
4	Organization Type <i>(multinational or national corporations; international or local organisation)</i>	
5	Organization Description <i>(Brief information regarding organizational structure, objectives, core business, and regular activities. The Applicant must demonstrate aproven track record in developing, managing and implementing RE projects .)</i>	
B	CONTACT PERSON	
	Name of Head of the Organization	
	Position	
	Postal Address	
	Phone/Fax	
	E-mail	

Annex 3 | Project Overview (Maximum 2 Pages)

C. PROJECT TYPE, LOCATION, COST AND FUNDING STRUCTURE	
Project Title and Type <i>(Project Category including brief description of project objectives)</i>	
Project Rationale and Technical Approach	
Project Structure	Ownership of project, shareholdings and role of each stakeholder
Project Location(s) <i>(By Province, District and sub-district and Land ownership status)</i>	
Timeframe <i>(Timeline for full project completion)</i>	
Estimated Total support Cost	US\$ _____ (Total Cost)
Funding Structure for implementing Study <i>(Please describe the project's co-funding structure, specifying the amount that will be provided by your organization⁵; including tax)</i>	US\$ _____ (your organisation) US\$ _____ (GGGI contribution)
Project Finance Summary based on Pre FS <i>(Applicable for FS support only)</i>	_____ MW Capital Investment: US\$ _____ NPV: US\$ _____ IRR: _____ % Discount rate used : _____ %
D. OTHER RELEVANT INFORMATION	
Please include here other relevant information that may assist the Green Growth Secretariat for assessment of your EOI (maximum 1 page).	

⁵ GGGI will work with you to implement the preparation of the study. GGGI will be solely responsible to appoint and manage the consultants engaged to carry out the study. The engagement of consultants will be in accordance with GGGI procurement rules and procedures. The intellectual property rights in relation to the study will be the sole and exclusive property of GGGI; provided however that, in relation to studies co-financed, GGGI may grant the co-financier a perpetual, royalty-free, non-transferable and irrevocable license to use such study for its own internal purposes.