



British Embassy  
Jakarta



UK - Indonesia  
A Great Friendship

# Carbon Pricing



Market Engagement Event



21 October 2021

# Agenda

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**01**

14:00-14:10

Opening & welcoming remarks

**02**

14:10-14.20

Introduction to UK PACT

Audience poll

**03**

14:25-14:45

Indonesia-UK PACT - Call for Proposals

Audience poll + 5 min  
break

**04**

14:50-15:05

Application process and requirements

**05**

15:05-15:25

Q&A

**06**

15:25-15:30

Wrap-up and next steps

# 01

## **Welcoming remarks**

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**Dr Philip Douglas**  
*British Embassy Jakarta*

# 02

## **Introduction to UK PACT**

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**Mike Irwin**

*Department for Business,  
Energy & Industrial Strategy  
(BEIS), UK Government*

# UK PACT: Partnering for Accelerated Climate Transitions

UK PACT is a £270 million programme running between 2018 and 2025

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## Mission and vision:

- Delivered by **BEIS, the UK's Department for Business, Energy and Industrial Strategy**, through the UK's International Climate Finance (ICF) portfolio
- Supporting **achievement of Nationally Determined Contributions (NDCs)** and the long-term goal of the 2015 Paris Agreement to **limit dangerous climate change**
- **Demand-driven**, adjusting key focus areas based on partner countries' needs and sectoral priorities

## We will achieve this by:

- Working with partner countries to improve the capacity and capability of key institutions to reduce emissions and foster inclusive economic growth
- Addressing barriers and constraints to clean growth
- Pursuing opportunities for greater climate ambition

# UK PACT programme structure

A flexible, demand-driven delivery model with three core components to support transformational change

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## Strategic oversight

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### Country Programmes



Support in partner countries for **demand-driven projects providing capacity building** to accelerate low-carbon transitions

### Green Recovery Challenge Fund



Support for **innovative capacity building** projects in a **wider range of ODA-eligible countries** to promote emissions reductions and low carbon solutions

### Skill-Shares and Secondments



Short term **skill-shares** between UK experts and their country counterparts, and long-term **secondments** into key institutions

# UK PACT Country Programmes



- Working in **partnership with high ambition countries**
- **Identifying priority sectors based on the country context** and demand identified by relevant government stakeholders
- **Providing grants for capacity building projects** in priority areas, which are delivered by selected implementing partners (e.g. NGOs, businesses, academia etc.).



## China

China has the opportunity to play a critical and fundamental role in tackling climate change, through its influence and approach domestically, regionally and globally.

## Colombia

UK PACT has partnered with Colombia, a country with a strong commitment to international and domestic action on climate change and sustainable growth.

## Indonesia

Indonesia has great potential for a low-carbon transition in the urban transport, energy efficiency and carbon pricing sectors which UK PACT is proud to support progress on.

## Kenya

The UK and Kenya have committed to work together to accelerate action on climate change while creating green jobs, and UK PACT is key to delivering this partnership.

## Malaysia

Malaysia has seen significant shifts in the climate governance landscape over the last few years and UK PACT is proud to be a partner in further accelerating strategic climate action.

## Mexico

UK PACT has partnered with Mexico, a country with a rich history of commitment to climate action and deep history of alliance with the UK.

## Nigeria

UK PACT is partnering with Nigeria to support the implementation of its Nationally Determined Contribution (NDC) and deliver ambitious action on climate mitigation.

UK PACT has partnered with South Africa to support action on just

# Adapting to COVID-19 – Supporting a green, clean and resilient recovery

UK PACT aims to deliver sustainable change and should play a role in supporting green and inclusive economic recovery efforts for government, businesses and civil society

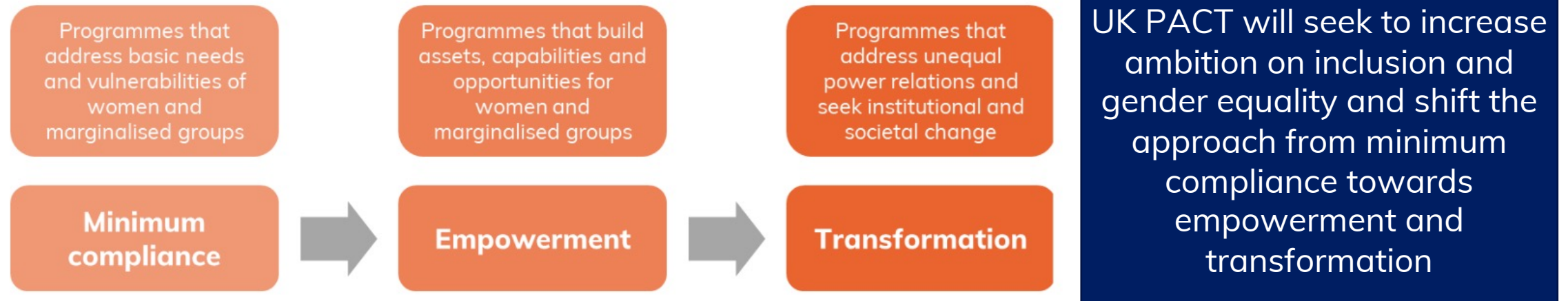
- UK PACT has an important role to play in contributing to a **green, clean and resilient recovery** and ensuring new policy, planning, investment and action remains aligned with climate ambitions
- As part of our assessment criteria for the next phase of UK PACT, we will be looking for evidence of how project proposals can contribute to **both emissions reductions and economic recovery** objectives
- We will look for **robust risk assessments and mitigation strategies** to ensure projects have the flexibility and adaptability to prepare for continued uncertainty and change within the operating environment





# Adapting to COVID-19 – Supporting an inclusive transition

## Gender Equality and Social Inclusion



To achieve these objectives, GESI considerations are mainstreamed across the programme and built into its outputs accordingly

**Audience poll**

**Zoom**

# 03

## **Indonesia-UK PACT Call for Proposals**

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**Ridwan Kurniawan**  
*British Embassy Jakarta*

# Carbon Pricing

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- Indonesia has recently placed greater focus in transitioning to a low-carbon growth pathway while ensuring it meets its Nationally Determined Contributions (NDC) on climate change mitigation.
- Various carbon pricing policies, including carbon tax and market-based instruments, offer a cost-effective opportunity for achieving GHG emissions reductions. Such policies can also increase investment and innovation in clean energy and less carbon intensive technologies, as well as provide direct economic benefits, and other co-benefits such as increased resilience, social and environmental benefits.

**Indonesia-UK PACT powers existing UK-Indonesia climate focused initiatives; as well exploring new areas for collaboration on reducing emissions and promoting low-carbon development.**

**In November 2021 Indonesia-UK PACT will launch a funding opportunity for projects in the carbon pricing sector.**

# The upcoming Call for Proposals – Carbon Pricing

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- Technical assistance and capacity building for the **Indonesian Coordinating Ministry of Maritime and Investment Affairs** and the **Ministry of Finance**
- We aim to select one project through a **one-stage open and competitive call**
- Approximately **GBP 2.7 million** for three years
- The duration of the project will be **3 years**
- We aim to support one project with a grant valued up to **£900,000 per year**
- All projects must be delivered on a **not-for-profit** basis

In light of the COVID-19 pandemic and its socio-economic impact in Indonesia, we also welcome innovative projects that respond to this situation within the sector.

For more information, visit [www.ukpact.co.uk](http://www.ukpact.co.uk)

UK PACT will also launch a call for proposals for the energy efficiency

# Counterparts and Implementing Partners

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**Counterparts (recipients of project outputs)**

**The Indonesian Coordinating Ministry of Maritime and Investment Affairs and the Ministry of Finance** or other relevant actors in the carbon pricing sector

## **Types of organisations eligible to apply for UK PACT grants**

- Academic institutions
- Private sector organisations (consultancies etc.)
- Industry or professional associations
- NGOs
- Think tanks

**Government departments and/or agencies are not eligible to apply for UK PACT Grant Funding**

# We are asking for proposals across 2 categories of support

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1

**Supporting the Coordinating Ministry of Maritime and Investment Affairs in preparing to implement the upcoming Presidential Regulation on Carbon Pricing.**



2

Supporting the Ministry of Finance's Fiscal Policy Agency and Director General for Taxation to design and prepare the implementation plan for a climate change tax.



# Proposed areas of support and output

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## **1 Supporting the Coordinating Ministry of Maritime and Investment Affairs in preparing to implement the upcoming Presidential Regulation on Carbon Pricing.**



The envisioned support consists of:

- Technical assistance to prepare Ministerial Regulations by way of follow-up to the Presidential Regulation on Carbon Pricing to help achieve Indonesia's NDC mitigation target and 2060 net zero goal;
- Capacity and consensus building to raise awareness around carbon pricing within relevant government departments and share experiences and build support for carbon pricing implementation, including in relation to the potential of an interim climate change tax to help ensure Indonesia can secure maximum benefit from the development of an Indonesian carbon market.



## Proposed areas of support and output

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2

Supporting the Ministry of Finance's Fiscal Policy Agency and Director General for Taxation to design and prepare the implementation plan for a climate change tax.



The implementation plan should be well adapted to respond to the Indonesian context and can support NDC mitigation efforts. The envisioned support consists of:

- Technical assistance in analysing the feasibility and economic impact of climate change carbon taxation policy covering the full range of design and implementation issues for a domestic climate change carbon tax;
- Capacity building for policy makers to strategically communicate the carbon tax plan to wider stakeholders , including importantly on the links between any climate change tax and carbon market.

# How to respond to the priority areas

## How many themes can I apply for?

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- We are looking for proposals from a consortium of international and Indonesian organisations that can combine insights from UK and international experience and understanding of local context.
- Applicants should propose projects for 3 years in duration.
- Each proposal is expected to address both areas of thematic focus and apply the consensus building approach outlined previously. Each proposal will be assessed independently.
- Applicants should remain flexible and adaptive throughout the duration of the projects to ensure they continue to respond to demand from the Coordinating Ministry of Maritime & Investment Affairs and the Ministry of Finance.

**Audience poll**

**Zoom**

**5 min break**

**5 min break**

# 04

## **Application process and requirements**

**Andi Poetri**

*UK PACT Palladium*

# What's required?

## Eligibility requirements

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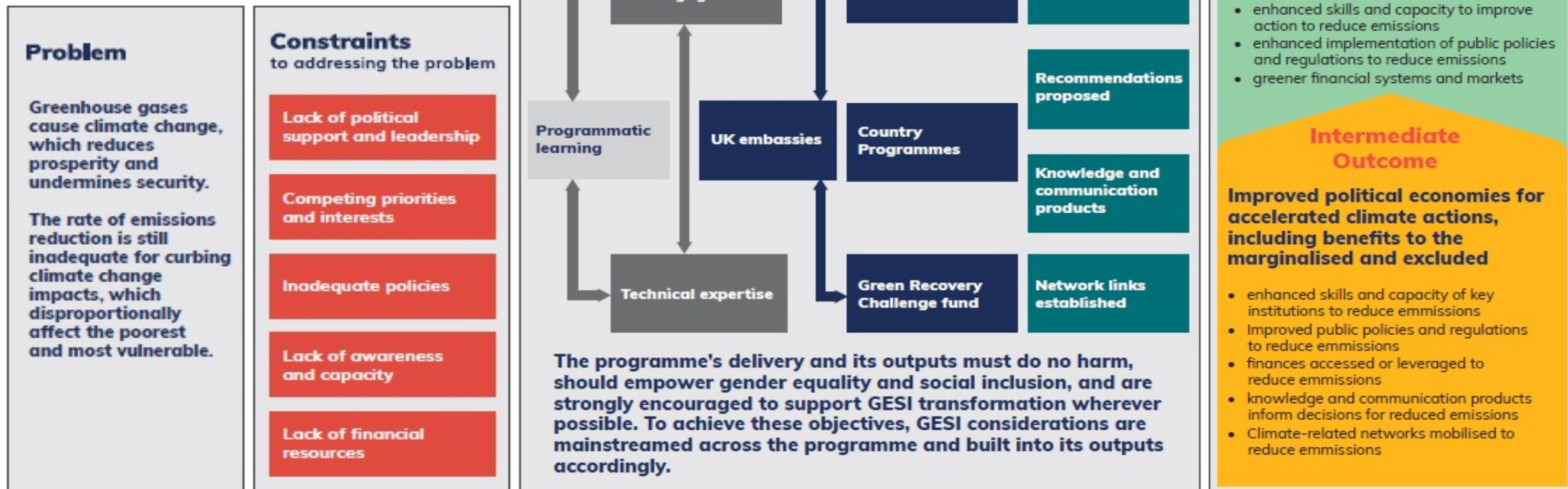
### Organisation eligibility

- ✓ Think tanks, consultancies (private sector firms), academic institutions, NGOs, professional associations or similar organisations that have the knowledge, skills and experience to deliver Technical Assistance projects relating to one of the priority sectors outlined
- ✓ Experience of delivering similar projects
- ✓ Consortia of international and national organisations required
- ✓ Government agencies and/or departments are not eligible to apply either as a lead organisation, or as a partner organisation within a consortium

### Project eligibility

- ✓ Strategic fit with the UK PACT priorities outlined
- ✓ **Demonstrate clear pathways and plan to engage intended counterparts in Indonesia**
- ✓ **3 years**
- ✓ Up to £900k per year
- ✓ Incorporating opportunities to advance GESI

# UK PACT Theory of Change



# UK PACT Selection criteria

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**Selection criteria will be divided into grant project design and workplan, project management and budget**

There will be a strong emphasis on:

- The extent to which projects respond to the ToR outlined
- The degree to which projects fit within the overall UK PACT Logframe
- The extent to which gender equality and social inclusion have been given priority within the project plan and outputs
- The plans for managing the project, including confidence that evidence of outputs achieved and progress reporting will be delivered on schedule
- Ensuring value for money

UK PACT projects can be demanding due to the requirement for evidence of all outputs achieved. Project management, results measurement and gender equality and social inclusion are all priorities for UK PACT and we encourage applicants to plan and budget for these tasks adequately



# Results monitoring and case studies

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- Proposals will include the submission of a Results Monitoring Plan describing proposed project outputs and their expected impact. The outputs proposed by projects should be aligned with the 4 output types in the UK PACT Theory of Change (ToC)
- Further guidance on UK PACT's programme level MEL framework, including ToC and Logframe, will be provided alongside the application process to facilitate project MEL development
- Projects will be expected to report on project outputs, alongside technical, financial and risk reporting
- UK PACT will carry out an annual review process to ensure quality delivery and responsiveness to Government of Indonesia's demand
- Projects will be encouraged to identify opportunities for developing case studies



# Process and timeline

One stage process for selection of projects



# Preparing a proposal

UK PACT Country Programmes Proposal Template

UK PACT Country Programmes Budget and Workplan Template

UK PACT Country Programmes Results Monitoring Plan

All available on the Indonesia page on the UK PACT website:



[www.ukpact.co.uk/country-programme/indonesia](http://www.ukpact.co.uk/country-programme/indonesia)

Budget Summary Level Review												
DO NOT EDIT THIS PAGE												
Project Title: 0												
YR 2021/22												
	Q1 Monthly Cost			Q2 Monthly Cost			Q3 Monthly Cost			Q4 Monthly Cost		
Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Direct costs	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Overheads	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Quarterly Budget												

UK PACT Impact Monitoring and Evaluation Template			
Category	Name	Organisation	Email address
*Person	Nominated monitoring and evaluation contact:		
*Person			
*Person			
*Person			
*Person			
*Person			
Please use this template to li			
We will use the information:			
Please provide specific inform			
Output 1 - Training of key			
If you plan to provide traini			
Name of training workshop and/or engagements			
Results Monitorin			



UK PACT Country Programmes Full Proposal Form – 2020

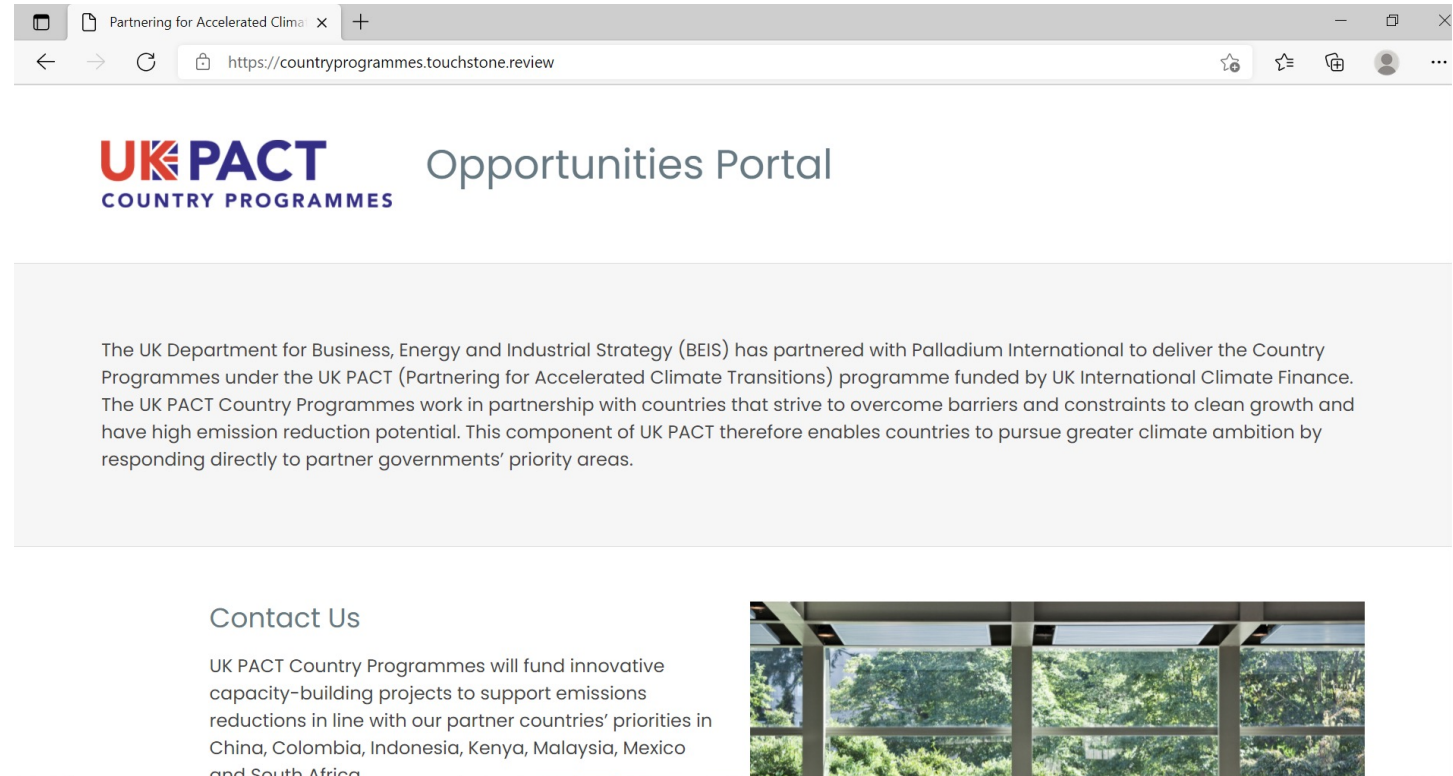
Full Proposal Checklist		
Do you have a Memorandum of Understanding (MoU) or similar agreement in place between all consortium partners?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Will you be able to set up a bank account that enables you to receive GBP (£) prior to receiving UK PACT funding?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Have you read the draft Grant Agreement, which can be found in the Country Programmes Opportunities Portal, and can you confirm that you accept the terms?		
There will not be an opportunity to negotiate the Grant Agreement following award and therefore organisations should ensure they are happy with the attached agreement before proceeding. If you have specific questions on the Grant Agreement, you may ask these in the form of clarification questions within the 5-working day limit for receipt of clarification questions.	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Have you checked that you have not exceeded the word limit in any section of this form?	YES <input type="checkbox"/>	NO <input type="checkbox"/>

# Country Programmes Opportunities portal

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All applications should be made through the Country Programmes opportunities portal

Interested organisations should register on the portal in advance of the call launch





**Projects will be selected through an open call to prospective applicants with a one stage competitive selection process.**

**All applications must be made through the Country Programmes Opportunities Portal and we invite prospective applicants to register on the portal in advance of the launch**



## How to apply

Projects will be selected through an open call to prospective applicants with a one stage competitive selection process.

All applications must be made through the Country Programmes Opportunities Portal and we invite prospective applicants to register on the portal in advance of the launch

Application specifications



Market engagement event



## About UK PACT

UK PACT (Partnering for Accelerated Climate Transitions) is a unique capacity-building programme running from 2018 to 2022. Funded by the UK Government's Department for Business, Energy and Industrial Strategy (BEIS) through the UK's International Climate Finance, it works in partnership with countries with high emission reduction potential to support them to

## Quick Links

About UK PACT  
Country Programmes  
Green Recovery Challenge Fund  
Skill-Shares and Secondments  
Events  
Apply Now  
Contact Us

# List of reference documents

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All relevant documents and templates will be included in the Country Programmes Opportunities Portal when you apply

- Proposal, budget and workplan, and results monitoring plan [template]
- Terms of reference
- Applicant Handbook

Other useful references:

Implementing Partner Handbook

- GESI Ambition Statement
- Country Programmes FAQs

# 05

## Q & A

# 06

**Wrap-up and  
next steps**



# Next steps

## Reminder on upcoming timeframes for application

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- Presentation will be published on UK PACT website in coming days ([www.ukpact.co.uk](http://www.ukpact.co.uk))
- Call for Proposals will be launched on **2 November 2021** at the [Indonesia-UK PACT webpage](#)
- Survey to be sent out to participants to gather additional feedback on the webinar and call for proposals
- For any technical issues when registering on the application portal please contact: [support@touchstonereview.com](mailto:support@touchstonereview.com)



**THANK  
YOU**

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**Stay in touch:**



[www.ukpact.co.uk](http://www.ukpact.co.uk)



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