

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

Integrated Fares Calculation Method for Road Based Urban Public Transport

**Project number/
12.9097.2-135.02**

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0. List of abbreviations

APBN	National budget
AVB	General Terms and Conditions of Contract (AVB) for supplying services and work 2018
BEIS	Department for Business, Energy, and Industrial Strategy of the United Kingdom
BMWK	German Federal Ministry for Economic Affairs and Climate Action
BRT	Bus Rapid Transit
GHG	Greenhouse gas
GIZ	The Deutsche Gesellschaft für Internationale Zusammenarbeit
Gol	Government of Indonesia
INDOBUS	Indonesian Bus Rapid Transit Corridor Development Project
MOT	Ministry of Transportation
NAMA	National Appropriate Mitigation Action
SECO	The State Secretariat of Economic Affairs of Switzerland
SUTRI	Sustainable Urban Transport Programme Indonesia
TOR	Terms of Reference
UNFCC	The United Nations Framework Convention on Climate Change

1. Context

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is an international cooperation enterprise for sustainable development with worldwide operations. Its corporate objective is to improve people's living conditions on a sustainable basis.

The Sustainable Urban Transport Programme Indonesia (SUTRI), a Nationally Appropriate Mitigation Action (NAMA) registered with the UNFCCC, aims to transform urban transport in Indonesia into a sustainable low-carbon sector. It is funded by the Federal Ministry for Economic Affairs and Climate Action of Germany (BMWK) and the Department for Business, Energy, and Industrial Strategy of the United Kingdom (BEIS) through the Mitigation Action Facility (formerly known as NAMA Facility) with GIZ as the implementing agency. The project commenced in December 2017 and concluded in December 2022.

To augment the impact of the programme, a technical assistance component funded by the State Secretariat for Economic Affairs of Switzerland (SECO) formulated as the Indonesian Bus Rapid Transit Corridor Development Project (INDOBUS) has been added to the line-up of SUTRI NAMA. INDOBUS aims to provide technical advisory related to the development and implementation of the Bus Rapid Transit (BRT) system in Indonesian cities that adheres to international standards. The project is scheduled to be completed in December 2024.

Urban mass transit represents a viable solution to the challenge of facilitating daily passenger mobility. Operating road-based public transport systems in urban areas addresses the need for efficient transportation, mitigates traffic congestion, lowers pollution levels, and conserves fuel. When deciding whether to undertake a trip by public transport, travellers are influenced by several characteristics or attributes of the public transport mode, including accessibility, waiting time, travel time, price, reliability, comfort, and safety. Demand is sensitive to the overall quality of service, which in turn depends on the design of the system; hence understanding the economic nature of urban public transport operations is crucial to ensure the efficiency of a public transport network and, ultimately, the sustainability of the entire transport system.

Within the framework of an integrated transport system, the concept of integrated fares plays a pivotal role. Integrated fares involve the consolidation of fare structures across different services. This approach aims to simplify the fare payment process for commuters by offering a unified pricing mechanism that covers multiple modes of transportation. Several cities that apply this action aim to attract more passengers by providing a more seamless trip experience or, in some cases, offering cost savings. By applying well-mannered assessment, this innovation brings positive impact to both public transport users and operators. It not only enhances the overall convenience for commuters but also contributes to the efficiency and sustainability of urban transport systems.

The primary objective of this contract is to provide essential support to the INDOBUS team in defining the concept and framework for integrating the road based urban mass transport fares, which includes formulating calculation methods. These methods aim to establish integrated fares for various road-based urban public transport services operating in Indonesia, with Surabaya and Makassar serving as case studies for the calculations.

Moreover, the contractor shall develop the documentation of the methods in a comprehensive handbook and set of guidelines. This documentation will serve as a structured reference, offering a step-by-step to implement the calculation methods in real cases. The handbook and guidelines are essential components that will facilitate the understanding and implementation of these integrated fare calculation methods for the beneficiaries.

2. Tasks to be performed by the contractor

Within this contract, GIZ SUTRI NAMA & INDOBUS will need a consultancy service to support the INDOBUS team in formulating methodology for calculating the amount of integrated fares for road based urban public transport with the example of Surabaya and Makassar cases.

The contractor is responsible for providing the following services:

Task 1 Identification and Analysis of Calculation Parameters

The contractor is required to identify the parameters to be incorporated in the calculation process, which involves identifying data on the current fares of the road-based urban transport system.

Task 2 Formulation of Calculation Methods

Following the completion of the preceding task, the contractor shall formulate calculation methods for determining the integrated fares for various road based urban transport services in the designated area.

Task 3 Calculation of Integrated Fares for Pilot Cities

Upon the completion of the aforementioned task, the contractor is tasked with developing comprehensive calculation designed to ascertain integrated fare amounts for multiple road-based urban public transport services. This will be conducted within selected area and using Surabaya and Makassar as case studies.

Task 4 Development of Handbook and Guidelines for Calculation Methods

The contractor is mandated to create a handbook and accompanying guidelines explaining the calculation methods. These materials should provide a step-by-step explanation tailored for the understanding of relevant counterparts who will benefit from this information.

Milestone	Deadline	Payment
Kick-off	Week 1	
Inception Report (Timeline, implementation, strategies)	Week 3	First interim payment against preliminary report (40%)
Preliminary Report (first draft of parameter, methods, excel formulation, and handbook of calculation)	Week 10	
Interim report (final draft of parameters and methods, and first draft of calculation)	Week 17	Second interim payment against interim report (40%)
Final Report (final draft of calculation, excel for calculation, and handbook)	Week 25	Final payment against final report (20%)

Period of assignment: From April 2024 until 30 September 2024

Deliverables shall be in electronic format, following the procedures and format defined by GIZ, and shall be submitted in Bahasa Indonesia with the executive summary in Bahasa Indonesia and English.

3. Concept

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

Technical-methodological concept

Strategy (1.1): The bidder is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1)(1.1.1). Following this, the bidder presents and justifies the strategy with which it intends to provide the services for which it is responsible (see Chapter 2) (1.1.2).

The bidder is required to present the actors relevant for the services for which it is responsible and describe the **cooperation (1.2)** with them.

The bidder is required to present and explain its approach to **steering** the measures with the project partners (1.3.1) and its contribution to the results-based monitoring system (1.3.2).

The bidder 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 bidder 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 bidder 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.

- The contractor is responsible for selecting, preparing, and steering the experts assigned to perform the advisory tasks.
- The contractor makes available equipment and supplies (consumables) and assumes the associated operating and administrative costs.
- The contractor manages costs and expenditures, accounting processes and invoicing in line with the requirements of GIZ.

The bidder is required to draw up a **personnel assignment** plan with explanatory notes that lists all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert months) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

The bidder 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 3.3.1 of the GIZ AVB:

- Service-delivery control
- Managing adaptations to changing conditions
- Ensuring the flow of information between the bidder 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

Further requirements (1.7)

The bidder needs to have the following experience:

- a. Consulting firm with legal entity and licensed to operate in Indonesia
- b. Consulting firm with official duty station in Jakarta
- c. At least 8 years of consultancy experience in government and public sector projects
- d. Strong knowledge of GOI legislative, institutional, and public finance frameworks for both national (ministries and institutions) and/or sub-national (agencies and technical units) government
- e. Project management experience and expertise suitable to a project of this scale and complexity to ensure superior coordination and consultation and high quality and timely deliverables
- f. Demonstrated experience and knowledge of identifying and quantifying increased benefits and other value arising from the development of public transport, including public transport policy and financing.
- g. Experience in a similar role on development of public transport, especially in agglomeration area and/or local area in an engagement with International Donor Agency

4. Personnel concept

The bidder is required to provide personnel who are suited to filling the positions described, based on their CVs the range of tasks involved and the required qualifications.

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

Team Leader

Tasks of Team Leader

- Overall responsibility for the advisory packages of the contractor, including developing the most appropriate strategy, ensuring the quality of the outputs, and delivering the task according to deadlines
- Coordinating and ensuring communication with GIZ, partners, and others involved in the project
- Managing personnel, in particular identifying the need for short-term assignments within the available budget, as well as planning and steering assignments as well as technical backstopping of all activities
- Regular reporting in accordance with deadlines

Qualifications of Team Leader

- Education/training (2.1.1): University qualification (master's degree) in Infrastructure Planning, Transport Planning, Transport Engineering, Public Policy, Finance, Economics, Urban Planning or other related fields
- Language (2.1.2): B2-level language proficiency in English, and Native speaker of Bahasa Indonesia
- General professional experience (2.1.3): 10 years of professional experience in government and public sector
- Specific professional experience (2.1.4): 5 years of professional experience in urban public transport projects and transport fares study
- Leadership/management experience (2.1.5): 5 years of management/leadership experience as a project team leader or manager in a company
- Regional experience (2.1.6): 3 years of experience in government and public sector projects in Indonesia or other Southeast Asia Countries

Expert 1: Transport Economist

Tasks of Expert 1

- Contribute to developing a plan for effective implementation
- Assist on project management, scheduling and monitoring
- Provide advisory for fare structure parameter
- Provide advisory for the calculation methods
- Provide advisory for development of handbook and guideline
- Provide the calculation for the pilot cities as examples.

Qualifications of Expert 1

- Education/training (2.2.1): University qualification (master's degree) in Economics, Transport Planning, Transport Engineering, Finance, Business Management, Urban Planning, Urban Development or other related fields
- Language (2.2.2): B2-level language proficiency in English, and Native speaker of Bahasa Indonesia
- General professional experience (2.2.3): 6 years of professional experience in government and public sector
- Specific professional experience (2.2.4): 3 years of professional experience related to transport fares study or economic assessment

Expert 2: Urban Transport specialist

Tasks of Expert 2

- Contribute to developing a plan for effective implementation
- Assist on project management, scheduling and monitoring
- Provide advisory for related to urban transport integration analysis
- Provide advisory for development of handbook and guideline

Qualifications of Expert 2

- Education/training (2.3.1): University qualification (postgraduate degree) in Transport Planning, Transport Engineering, Civil Engineering, Urban Planning, Urban Development, or other related fields
- Language (2.3.2): B2-level language proficiency in English, and Native speaker of Bahasa Indonesia
- General professional experience (2.3.3): 7 years of professional experience in government and public sector

- Specific professional experience (2.3.4): 5 years of experience in urban public transport projects

Short term expert pool 1 – Research Assistants (2 people)

Short term expert pool 1

- Support data collection, calculation and analytical work as required by the team of experts
- Support drafting the handbook and guidelines

Qualifications of Short term expert pool 1

- Education/training (2.5.1): University qualification (undergraduate) in Civil Engineering, Urban Planning, Public Policy, Economics, or other related fields
- Language (2.5.2): B1-level language proficiency in English, and Native speaker of Bahasa Indonesia
- General professional experience (2.5.3): 3 years of professional experience in government and public sector projects
- Specific professional experience (2.5.4): 1 years of experience in transport projects in Indonesia

5. Costing requirements

Specification of inputs

Fee days	Number of experts	Number of days per expert	Total	Comments
Team Leader	1	40	40	Against timesheet
Expert 1 – Transport Economist	1	45	45	against timesheet
Expert 2 – Urban Transport Specialist	1	45	45	Against timesheet
Expert Pool 1 – Research Assistant	2	25	50	Against timesheet
Travel expenses	Quantity	Price	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	Price	Total	Comments

Other costs	Number	Price	Total	Comments
Flexible remuneration	1		20,000,000	A budget of IDR 20,000,000 is foreseen for flexible remuneration. Please incorporate this budget into the price schedule. Use of the flexible remuneration item requires prior written approval from GIZ.
Other costs				The budget contains the following costs

6. Requirements on the format of the bid

The structure of the tender must correspond to the structure of the ToRs. 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 12 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. 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.

7. Organisational Matters

Place of Assignment: Jakarta

Payment modalities: Payment of the assignment will be made in 3 terms. The final payment will be made after the completion of the assignment, considering a satisfactory result, evidence and timesheet provided by the contractor.

Failure to complete work: GIZ reserves the right to cancel the remainder of the contract if the deliverable output does not meet ToR requirements and standards of quality e.g. if Task 1 is completed unsatisfactorily, GIZ is only liable to pay for Task 1 and can cancel the contract for the remaining Tasks.