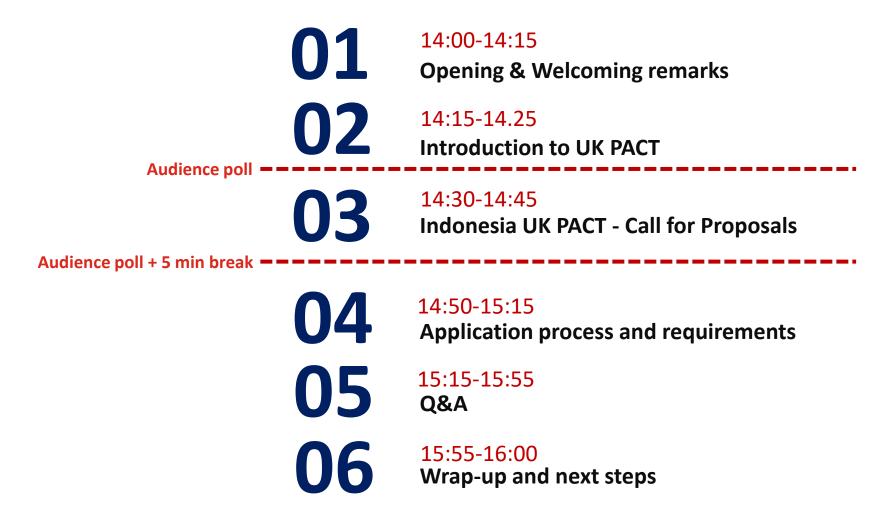


Energy Efficiency in Indonesia

Market Engagement Event

16 October 2024

Agenda



For more information, visit www.ukpact.co.uk

Welcoming remarks

Ianto Jones – Head of Low Carbon Energy and Infrastructure

British Embassy Jakarta

Introduction to UK PACT

Aysha Doidge - UK PACT Indonesia and Vietnam Country Lead

Foreign, Commonwealth and Development Office, UK Government

UK PACT: Partnering for Accelerated Climate Transitions

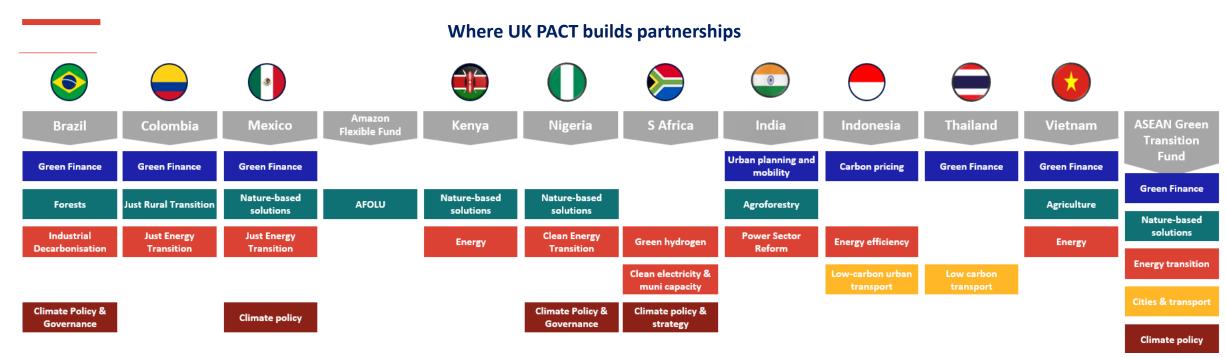
- UK PACT is a flagship programme under the UK's International Climate
 Finance (ICF) portfolio. The programme is jointly governed and funded by
 the Foreign, Commonwealth and Development Office (FCDO) and the
 Department for Energy Security and Net Zero (DESNZ).
- Supporting achievement of Nationally 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 challenges to sustainable development and driving greater climate ambition.
- Enabling access to climate finance.



UK PACT Global Programme



How UK PACT build partnerships



UK PACT in Indonesia

The programme is committed to advancing Indonesia's efforts in low-carbon transport, energy efficiency, and carbon pricing. With a new multi-year funding allocation, Indonesia-UK PACT will continue to work closely with government stakeholders to support these key sectors and contribute to the country's sustainable development goals.

- Phase 1 of the Indonesia-UK PACT programme is set to conclude in March 2025. The programme is committed to continue advancing Indonesia's efforts in the key sectors.
- The funds aim to advance Indonesia's sustainable development goals by working closely with government stakeholders to support these key sectors.
- It will also enhance policy frameworks, improve energy management practices, and promote the adoption of energy-efficient technologies in key industries.

For more information, please visit the UK PACT Indonesia website: https://www.ukpact.co.uk/country-programme/indonesia

Audience poll

Zoom

Indonesia UK PACT Call for Proposals

Yoel Priatama – UK PACT Programme Manager

British Embassy Jakarta

Julio Retana – UK PACT Energy Efficiency Expert

Palladium

Energy Efficiency

- The Ministry of Energy and Mineral Resources Strategic Plan 2019-2024
 prioritises energy efficiency to reduce GHG emissions, focusing on
 mandatory energy management, equipment efficiency, electric vehicles
 (EVs), efficient street lighting, and induction stoves.
- According to the Enhanced NDC (2022), the energy sector aims to cut 358 million tons CO2e by 2030, positioning it as a key sector for emissions reduction.
- Indonesia is committed to lowering energy intensity by 1% per year and reducing GHG emissions by 31.89% by 2030 (or 43.20% with international support), in line with the National Energy Policy (KEN) and energy conservation roadmap.
- Challenges include limited financing, low awareness of benefits, and capacity gaps in implementing energy efficiency at scale.

UK PACT aims to support activities that:

- Addressing key challenges of decarbonisation and energy efficiency ecosystem.
- Developing a robust energy efficiency market.
- Expand access to financing,
- Enhance technical and regulatory capacity across key sectors.

The upcoming Call for Proposals – Energy Efficiency

- This call for proposals seeks to respond to requests for technical assistance and capacity building in energy efficiency in Indonesia.
- Projects will be selected through a one-stage open and competitive call.
- Projects are expected to start in April 2025 and end in December 2026.
- Grants from £800,000 per project per financial year, up to a maximum of £1,400,000 over 21 months.
- Expect any multi-year projects to be designed based on demand and consultation with stakeholders in the energy efficiency sector.
- Looking for partners with the ability to be flexible and adapt to deliver against additional demands that may come over the course of a project of up to 21 months.
- For-profit organisations can apply, but all projects must be delivered on a not-for-profit basis.

Indonesia UK-PACT will also be running a Call for Proposals in the low-carbon transport sector. The market engagement session for this call has taken place on 15 October, session's recording and slide will be shared in the UK PACT Indonesia website.

Counterparts and Implementing Partners

Counterparts (recipients of project outputs)

• The Indonesia's Ministry of Energy and Mineral Resources, along with other ministries identified later on.

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 <u>not eligible</u> to apply for UK PACT Grant Funding

We are asking for proposals across 3 categories of support

1

Support small and medium-sized enterprises (SMEs) in the decarbonisation of the energy systems



2

Market transformation through energy efficiency and electrification in the private and public sectors



3

Regional capacity building and support for national regulations and roadmap development



UK PACT will manage the projects as a coherent portfolio in energy efficiency. Each project will be expected, where relevant, to collaborate and synergise with each other with the objective of working towards the same sectoral portfolio outcomes.

Proposed areas of support and output

1

Support small and medium-sized enterprises (SMEs) in the decarbonisation of the energy systems



Focus on improving energy efficiency, electrification and integrating renewable energy solutions within small and medium-sized enterprises (SMEs), particularly in sectors like healthcare, retail, and small to medium-scale industries.

Areas of work should include:

- SMEs targeted intervention
- Peer-to-peer learning networks
- Capacity building and awareness raising

Proposed areas of support and output

2

Market transformation through energy efficiency and electrification in the private and public sectors



This theme aims to increase energy efficiency adoption in both public building and private companies by supporting initiatives such as the Just Energy Transition Partnership (JETP), the implementation of Energy Savings Performance Contracts (ESPCs), and the creation of bankable projects through an energy efficiency and decarbonisation incubator.

Areas of work should include:

- Support energy savings performance contracts (ESPC) in government buildings
- EE and electrification incubator to create a Portfolio of bankable projects
- Support Just Energy Transition Partnership (JETP)
- ESPC/ESCO business model training

Proposed areas of support and output

3

Regional capacity building and support for national regulations and roadmap development



This theme will focus on expanding regional energy management and decarbonisation programmes and developing tailored energy efficiency and decarbonisation roadmaps for municipalities.

Areas of work should include:

- Energy efficiency roadmaps for municipalities
- Regional expansion of energy management programmes
- Complimentary support (carbon credits and national regulations)
- Support the finalisation and adoption of national ESCO regulation

How to respond to the priority areas

How many themes can I apply for?

- Applicants are expected to strategically address one priority subsector within one proposal
- Each proposal will be assessed independently

For more information, visit www.ukpact.co.uk

Audience poll

Zoom

5 min break

5 min break

Application process and requirements

Andi A. F. Poetri

Palladium – UK PACT Indonesia Fund Manager

What's required? Eligibility requirements

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 encouraged
- ✓ Government agencies and/or departments are <u>not</u> 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
- ✓ From £800,000 per project per financial year, up to a maximum of £1,400,000 to over 21 months
- ✓ Incorporating opportunities to advance GEDSI

Key Definitions

Inputs & Activities = things that will be used to implement the project (e.g., trainings, research, technical expertise, stakeholder engagement). These are the activities that must be listed in your Project Workplan.

Outputs = the deliverable or product achieved as a result of the inputs. These are within the direct control of an intervention and are normally provided to the project's key counterparts or other project stakeholders.

Intermediate Outcomes = an interim indication of initial uptake by programme stakeholders. The logic of the intermediate outcome is that programme-supported outputs should be *adopted* or taken up by the stakeholders that work most directly with the programme. These stakeholders are then responsible for using or implementing those outputs to achieve their intended purpose.

Outcomes = are achieved when an output has been firmly adopted, implemented and has shown to result in a significant change in behaviour. If the programme's adopted outputs are effectively implemented by its counterpart stakeholders, we articulate this **outcome** as *enhanced*, *sustained*, *and inclusive action on emissions reduction*.

GEDSI Contribution = UK PACT's ambitions for **gender equity, disability and social inclusion (GEDSI)** are to go beyond minimum compliance. Project outputs must *do no harm,* should *empower* gender equality and social inclusion, and are strongly encouraged to support GEDSI *transformation wherever possible*.

UK PACT Theory of Change

Problem Delivery Outputs Barriers Outcome **Impact Demand-led TA delivered** through strategic funds Greenhouse gases cause climate change, which reduces prosperity and undermines security. The priorities and rate of emissions reductions is insufficient Skills and knowledge Accelerated emissions Enhanced policies and for curbing climate change reductions which practices that deliver impacts. support equitable just accelerated and transitions and ambitious emissions **UK PACT activities** are contribute to poverty reductions and reduction. equitable and inclusive economies. This exacerbates poverty **UK Embassies and High** as climate change impacts disproportionally affect the and evidence poorest and the most vulnerable. Lack of financial Assumes sufficient funding **Programme learning and** available to implement Assumes recipient Assumes post have counterparts have the enhanced policies and ability to effectively lasting power to practices engage counterparts and develop relevant that demand is correctly

For more information, visit www.ukpact.co.ur

identified

policies

UK PACT Selection criteria

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 Terms of Reference outlined
- The degree to which projects fit within the overall UK PACT Theory of Change
- The extent to which GEDSI 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.

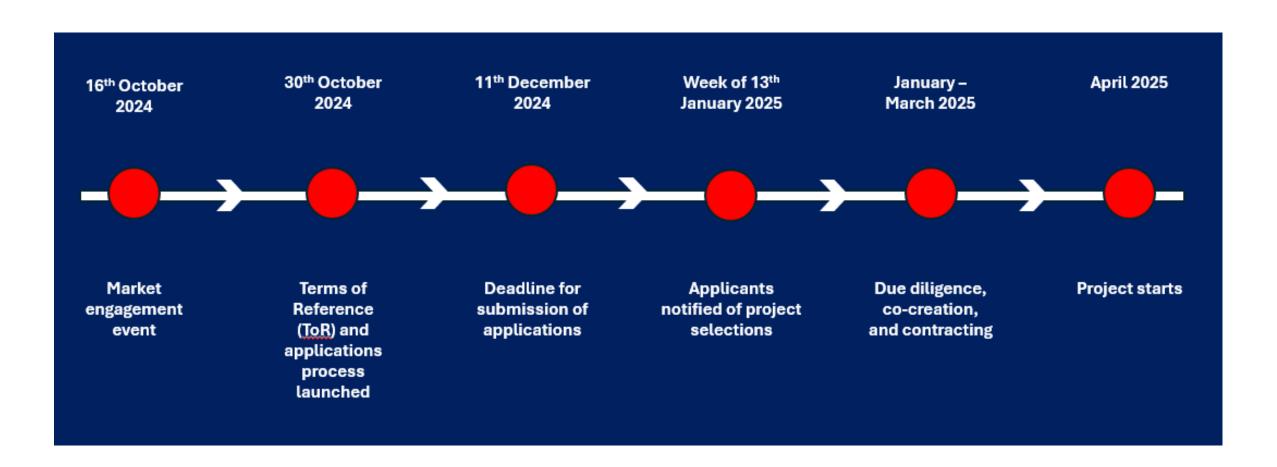
Results monitoring and case studies

- 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
- 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 Proposal Template

UK PACT Budget and Workplan Template

UK PACT Project Theory of Change Template

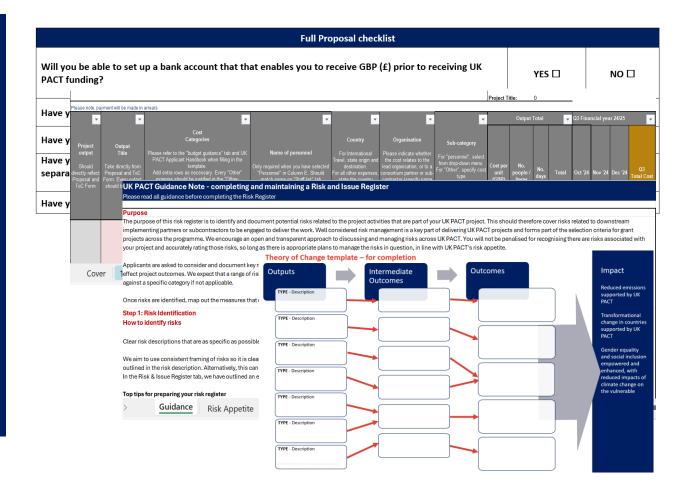
UK PACT Project Risk & Issue Register Template

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

www.ukpact.co.uk/country-fund/Indonesia



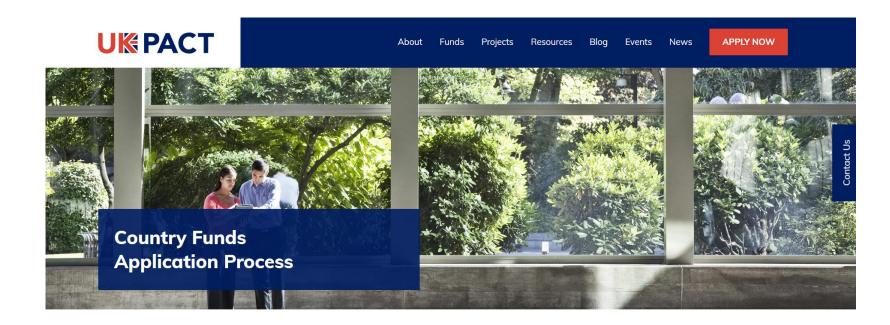
UK PACT Country Funds Full Proposal Form – 2024



Country Funds Opportunities portal

All applications are to be made through the Country Funds opportunities portal

Interested organisations are already to register on the portal in advance of the call launch



The UK PACT Country Funds use an open, competitive grant facility to award funding to applicants who will deliver projects that enable, incentivise, and empower key stakeholders to take action on emissions reductions. The priorities for each country

List of reference documents

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

- Proposal, budget and workplan, project theory of change and risk & issues register [template]
- Terms of reference
- Applicant Handbook

Other useful references:

- Implementing Partner Handbook
- GEDSI Ambition Statement
- Country Funds FAQs

Q & A



Wrap-up and next steps

Next steps

Reminder on upcoming timeframes for application

- Presentation will be published on UK PACT website in coming days (www.ukpact.co.uk)
- Call for Proposals will be launched on 30 October 2024 at the <u>Indonesia-UK</u> <u>PACT webpage</u>
- Survey to be sent out to participants to gather additional feedback on webinar and call for proposals
- For any technical issues when registering on the application portal please contact: Indonesia@ukpact.co.uk

UKEPACT

THANK YOU

Stay in touch:



www.ukpact.co.uk



Indonesia@ukpact.co.uk