



INDONESIA AUSTRALIA  
RED MEAT & CATTLE  
PARTNERSHIP

# Development of a Decision- support Toolkit for Investment in Indonesia's Cattle Sector

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## Industry Briefing

Jakarta, 17 February 2020

# INDONESIA AUSTRALIA RED MEAT AND CATTLE PARTNERSHIP (2013 -2023)

## Goal

The Red Meat Cattle Partnership was established in 2013 to promote joint cooperation between the two countries to:

- Support food security in the red meat and cattle sector
- Facilitate access to global supply chain for red meat and cattle products through trade and investment



## Objectives

- Increase domestic and foreign supply chains in the red meat and cattle supply chain
- Improve the security, prosperity and productivity of the Indonesian and Australian red meat and cattle industries
- Build a trusted relationship between Indonesian and Australian red meat and cattle industries and governments
- Increase Indonesia's cattle population to meet local demand and food security targets
- Be able to respond to increased demand for beef products in Indonesia



# Tender Requirements

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## Timeline

Milestone	Timeline
Issue of RFT	Friday 7 <sup>th</sup> February 2020
Industry briefing	Monday 17 <sup>th</sup> February 2020
Closing date for Registration of Intent to submit Tender	5.00pm local time in Adelaide 21 <sup>st</sup> February 2020
Closing date for questions on the RFT	5.00pm local time in Adelaide 28 <sup>th</sup> February 2020
Closing date for submission of Tender	3.00pm local time in Adelaide (ACST) 9 <sup>th</sup> March 2020
Tender outcome notification date	23 <sup>rd</sup> March 2020
Expected mobilization date	13 <sup>th</sup> April 2020

# Tender Submissions

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Item	Requirements
Number of copies of tender	1 electronic file (pdf) of Technical Proposal 1 electronic file (pdf) of Financial Proposal
Technical Proposal (80% of total score)	Technical Proposal: maximum of six (6) pages plus Annexes as follows: Annex 1 – Organisation’s Experience Annex 2 – Curricula Vitae Annex 3 – Draft Workplan Annex 4 – Statutory Declaration Annex 5 – Letter of Association
Financial Proposal (20% of total assessment score)	Schedule 1: Personnel Costs Schedule 2: Expenses for project implementation other than personnel costs Schedule 3: Fixed Management Fee Schedule 4: Financial Proposal Summary
Mode of Submission	Email submission to <a href="mailto:Tendersubmissions@Coffey.com">Tendersubmissions@Coffey.com</a>

## Selection Criteria

### A. Capacity and technical experience: (25% of the technical assessment)

To ensure the quality of services provided, Tenderers that either:

- 1) **possess a licence to operate in Indonesia**, or
- 2) **partner with a company or individual that has a licence to operate in Indonesia** are preferred.

The Tenderer must demonstrate:

- **Experience implementing similar projects in Indonesia or similar Southeast Asian countries** and how these provide evidence of capability to deliver the project as outlined in the Scope of Services. Include your **capacity to produce high quality reports**, including the use of infographics and other techniques to improve readability. Reference the three Project Description Sheets included as Annex 1 to support your statements. **(15% of the technical assessment)**
- **Linkages with Indonesian sectoral stakeholders, experts and organisations** and how these will be used to improve project implementation and outcomes. If you are partnering with an associate firm or individual, please include details of the role or the partner in project implementation and refer to your attached Letter of Association. **(10% of the technical assessment)**

## Selection Criteria

### **B. Response to technical requirements: (50% of the technical assessment)**

The Tenderer must provide details of their approach and methodology for project implementation. Specifically, tenderers must demonstrate how they will:

- Outline their approach to meeting the requirements of the tender. The tenderer should provide details of their approach to accessing data and information sources necessary to implement the project. **(10% of the technical assessment)**
- Present their detailed methodology to respond to the project's objectives as outlined in the Scope of Services. Both qualitative and quantitative methodologies should be covered if required, along with any analytical tools that will be used. **(30% of the technical assessment)**
- Provide a written explanation of the proposed workplan (to be included as Annex 3) noting timelines and personnel involved in delivery of activities and reporting **(10% of the technical assessment)**

## Selection Criteria

### C. Core personnel: (25% of the technical assessment)

The Tenderer must demonstrate that the following team members have the appropriate qualifications and experience to implement the project as outlined in the Scope of Services. **At least one senior member of the team must be able to speak Bahasa Indonesia fluently** and will be required to present the industry debrief following field work in Indonesia. Include information covering:

- Project Leader is the technical expert who will work with ASG to finalise the methodology and workplan and be responsible for overall implementation of the project. The Project Leader should preferably have significant experience in delivering similar projects in Indonesia. **(15% of the technical assessment)**
- Other specialists as required to implement the project as outlined in the Scope of Services. **(10% of the technical assessment)**

The tenderer must indicate any other specialists who will be involved in project implementation. Substitution of the Project Leader or any specialists would require Coffey approval.



# Scope of Services

INDONESIA AUSTRALIA  
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# Decision-support Toolkit for Investment in Indonesia's Cattle Sector

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## Background

There is a reluctance among potential investors to invest in Indonesia's cattle industry beyond the feedlot sub-sector. There is limited information or tools to gather and analyse information on the risks and potential returns on investment from cattle breeding. The lack of information has become more acute as interest in integrated cattle under oil palm and other extensive production systems grows.

A user-friendly and comprehensive decision-support tool would be useful for both potential investors and government to better gauge commercial cattle breeding opportunities.

## Project purpose

To develop a decision-support toolkit that assists Indonesian and overseas businesses identify investment opportunities in the Indonesian cattle supply chain.

## Factors to be considered in developing the decision-support toolkit

For 5 – 10 representative production locations:

- Cost of cattle from both domestic and imported sources compared with local breeding
- Range of markets for cattle/beef produced at each location in Indonesia
- Costs associated with delivery of cattle from production locations to target markets in Indonesia
- Processing options associated for production locations in relation to target markets
- Sensitivity analysis of supply chains and markets
- Factors impacting on the ability to recruit and retain quality staff
- Extent of provincial/district level political support
- Extent to which a proposed enterprise might be embraced or rejected by local communities and the impacts on operations
- Technology innovations that might be considered
- Environmental impacts of cattle production
- Options for and ease of obtaining finance from banks and other lenders
- Risk ratings for social and legal factors impacting financial outcomes

## Supporting analytical tools and studies

- The Partnership's Unlocking Business and Investment Opportunities in Indonesia's Red Meat and Cattle Sector study assessed the potential for commercial cattle production in five provinces.
- IACCB's CALFIN spreadsheet and other decision-support tools
- Financial analyses undertaken by ProAnd during implementation of the Bonded Zone study (2018)
- PRISMA community impacts studies on the development of medium to large scale agricultural enterprises

# Deliverables

## Reporting

### **Inception Report will incl.**

- A desk review of previous studies
- Approved methodology and final workplan detailing how the consultant will complete the required tasks
- Outline for the final report's structure and style

**Monthly updates** – brief updates on progress in dot-point format

**Field work debrief** - provide a debrief of field visit findings to industry and government in Bahasa Indonesia prior to departing Indonesia

**Draft Final Report** - a report addressing the objectives as outlined in the Statement of Requirement. This will include a draft version of the decision-support toolkit.

### **Final Report**

- Incorporate comments/changes requested by the relevant stakeholders
- Submit in electronic format in English together with an executive summary in Bahasa Indonesia.
- Include the final version of the decision- support toolkit, together with all tools and background information used in its development.

## Timelines and budget

- Initial planning and consultations: 13 – 20 April 2020
- Field research in Indonesia: May - June 2020
- Presentation of field research findings: July 2020
- Submission of draft final report: August - September 2020

**Maximum budget: AUD320,000**



**THANK YOU**

