



Department  
for Environment  
Food & Rural Affairs

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Valpak Limited  
Unit 4  
Stratford Business Park  
Banbury Road  
Stratford Upon Avon  
CV37 7GW

**Your ref:** ECM\_62492  
**Our ref:** 33776  
**Date:** 30/09/2021

## **Award of contract for the provision of Research into the Impacts of Basel Proposals**

Following your tender for the provision of Research into the Impacts of Basel Proposals to Defra, we are pleased to award this contract to you.

This letter (Award Letter) and its Annexes set out the terms of the contract between Defra as the Authority and Valpak Limited as the Supplier for the provision of the Services. Unless the context otherwise requires, capitalised expressions used in this Award Letter have the same meanings as in the terms and conditions of contract set out in Annex 1 to this Award Letter (the “**Conditions**”). In the event of any conflict between this Award Letter and the Conditions, this Award Letter shall prevail. Please do not attach any Supplier terms and conditions to this Award Letter as they will not be accepted by the Authority and may delay the conclusion of the Agreement.

For the purposes of the Agreement, the Authority and the Supplier agree as follows:

1. The Services shall be performed at the Supplier's premises.
2. The charges for the Services shall be as set out in Annex 2.
3. The specification of the Services to be supplied is as set out in Annex 3.
4. The Term shall commence on 27<sup>th</sup> September 2021 and the Expiry Date shall be 28<sup>th</sup> February 2022 unless extended or subject to early termination.

5. The address for notices of the Parties are:

Authority	Supplier
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

6. The Authority may require the Supplier to ensure that any person employed in the provision of the Services has undertaken a Disclosure and Barring Service check. The Supplier shall ensure that no person who discloses that he/she has a conviction that is relevant to the nature of the Services, relevant to the work of the Authority, or is of a type otherwise advised by the Authority (each such conviction a “**Relevant Conviction**”), or is found by the Supplier to have a Relevant Conviction (whether as a result of a police check, a Disclosure and Barring Service check or otherwise) is employed or engaged in the provision of any part of the Services.

## Payment

Our preference is for all invoices to be sent electronically, quoting a valid purchase order number (PO Number), to APinvoices-DEF-U@gov.sscl.com. Alternatively, you may post to SSCL Finance

Shared Services Connected Ltd  
PO Box 769  
Newport  
Gwent  
NP20 9BB

Within 10 working days of receipt of your countersigned copy of this letter, we will send you a unique PO Number. You must be in receipt of a valid PO Number before submitting an invoice.

To avoid delay in payment it is important that the invoice is compliant and that it includes a valid PO Number, PO Number item number (if applicable) and the details (name and telephone number) of your Authority contact (i.e. Contract Manager). Non-compliant invoices will be sent back to you, which may lead to a delay in payment. If you have a query regarding an outstanding payment please contact our Accounts Payable section either by email to APinvoices-DEF-U@gov.sscl.com.

## Liaison

[REDACTED]

We thank you for your co-operation to date, and look forward to forging a successful working relationship resulting in a smooth and successful delivery of the Services. The Authority would be grateful if you could arrange the contract to be executed, by way of electronic signature, on behalf of Valpak Limited and within 7 days of the issue date. No other form of acknowledgement will be accepted. Please remember to quote the reference number above in any future communications relating to this contract.

Yours sincerely

[REDACTED]  
[REDACTED]  
Defra group Commercial

[REDACTED]

***Execution of this award notification letter is carried out in accordance with EU Directive 99/93 (Community framework for electronic signatures) and the Electronic Communications Act 2000. The Contract will be formed on the date on which both Parties communicate acceptance of its terms on the Authority's eSourcing System.***



Department  
for Environment  
Food & Rural Affairs

# Conditions of Contract

## Short Form - Services

September 2021

## **Annex 1**

### **Terms and Conditions of Contract for Services**

#### **1 Interpretation**

1.1 In these terms and conditions:

“Agreement”	means the contract between (i) the Customer acting as part of the Crown and (ii) the Supplier constituted by the Supplier’s countersignature of the Award Letter and includes the Award Letter and Annexes;
“Award Letter”	means the letter from the Customer to the Supplier printed above these terms and conditions;
“Central Government Body”	<p>means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:</p> <ul style="list-style-type: none"><li>(a) Government Department;</li><li>(b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);</li><li>(c) Non-Ministerial Department; or</li><li>(d) Executive Agency;</li></ul>
“Charges”	means the charges for the Services as specified in the Award Letter;
“Confidential Information”	means all information, whether written or oral (however recorded), provided by the disclosing Party to the receiving Party and which (i) is known by the receiving Party to be confidential; (ii) is marked as or stated to be confidential; or (iii) ought reasonably to be considered by the receiving Party to be confidential;
“Customer”	means the person named as Customer in the Award Letter;
“DPA”	means the Data Protection Act 1998;
“Expiry Date”	means the date for expiry of the Agreement as set out in the Award Letter;

“FOIA”	means the Freedom of Information Act 2000;
“Information”	has the meaning given under section 84 of the FOIA;
“Key Personnel”	means any persons specified as such in the Award Letter or otherwise notified as such by the Customer to the Supplier in writing;
“Party”	means the Supplier or the Customer (as appropriate) and “Parties” shall mean both of them;
“Personal Data”	means personal data (as defined in the DPA) which is processed by the Supplier or any Staff on behalf of the Customer pursuant to or in connection with this Agreement;
“Purchase Order Number”	means the Customer’s unique number relating to the supply of the Services;
“Request for Information”	has the meaning set out in the FOIA or the Environmental Information Regulations 2004 as relevant (where the meaning set out for the term “request” shall apply);
“Services”	means the services to be supplied by the Supplier to the Customer under the Agreement;
“Specification”	means the specification for the Services (including as to quantity, description and quality) as specified in the Award Letter;
“Staff”	means all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any sub-contractor of the Supplier engaged in the performance of the Supplier’s obligations under the Agreement;
“Staff Vetting Procedures”	means vetting procedures that accord with good industry practice or, where requested by the Customer, the Customer’s procedures for the vetting of personnel as provided to the Supplier from time to time;
“Supplier”	means the person named as Supplier in the Award Letter;
“Term”	means the period from the start date of the Agreement set out in the Award Letter to the Expiry Date as such period may be extended in accordance with clause 4.2 or terminated in accordance with the terms and conditions of the Agreement;

“VAT” means value added tax in accordance with the provisions of the Value Added Tax Act 1994; and

“Working Day” means a day (other than a Saturday or Sunday) on which banks are open for business in the City of London.

1.2 In these terms and conditions, unless the context otherwise requires:

- 1.2.1 references to numbered clauses are references to the relevant clause in these terms and conditions;
- 1.2.2 any obligation on any Party not to do or omit to do anything shall include an obligation not to allow that thing to be done or omitted to be done;
- 1.2.3 the headings to the clauses of these terms and conditions are for information only and do not affect the interpretation of the Agreement;
- 1.2.4 any reference to an enactment includes reference to that enactment as amended or replaced from time to time and to any subordinate legislation or byelaw made under that enactment; and
- 1.2.5 the word ‘including’ shall be understood as meaning ‘including without limitation’.

## **2 Basis of Agreement**

- 2.1 The Award Letter constitutes an offer by the Customer to purchase the Services subject to and in accordance with the terms and conditions of the Agreement.
- 2.2 The offer comprised in the Award Letter shall be deemed to be accepted by the Supplier on receipt by the Customer of a copy of the Award Letter countersigned by the Supplier within [7] days of the date of the Award Letter.

## **3 Supply of Services**

- 3.1 In consideration of the Customer’s agreement to pay the Charges, the Supplier shall supply the Services to the Customer for the Term subject to and in accordance with the terms and conditions of the Agreement.
- 3.2 In supplying the Services, the Supplier shall:
  - 3.2.1 co-operate with the Customer in all matters relating to the Services and comply with all the Customer’s instructions;
  - 3.2.2 perform the Services with all reasonable care, skill and diligence in accordance with good industry practice in the Supplier’s industry, profession or trade;
  - 3.2.3 use Staff who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier’s obligations are fulfilled in accordance with the Agreement;
  - 3.2.4 ensure that the Services shall conform with all descriptions and specifications set out in the Specification;
  - 3.2.5 comply with all applicable laws; and
  - 3.2.6 provide all equipment, tools and vehicles and other items as are required to provide the Services.

- 3.3 The Customer may by written notice to the Supplier at any time request a variation to the scope of the Services. In the event that the Supplier agrees to any variation to the scope of the Services, the Charges shall be subject to fair and reasonable adjustment to be agreed in writing between the Customer and the Supplier.

#### **4 Term**

- 4.1 The Agreement shall take effect on the date specified in Award Letter and shall expire on the Expiry Date, unless it is otherwise extended in accordance with clause 4.2 or terminated in accordance with the terms and conditions of the Agreement.
- 4.2 The Customer may extend the Agreement for a period of up to 6 months by giving not less than 10 Working Days' notice in writing to the Supplier prior to the Expiry Date. The terms and conditions of the Agreement shall apply throughout any such extended period.

#### **5 Charges, Payment and Recovery of Sums Due**

- 5.1 The Charges for the Services shall be as set out in the Award Letter and shall be the full and exclusive remuneration of the Supplier in respect of the supply of the Services. Unless otherwise agreed in writing by the Customer, the Charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.
- 5.2 All amounts stated are exclusive of VAT which shall be charged at the prevailing rate. The Customer shall, following the receipt of a valid VAT invoice, pay to the Supplier a sum equal to the VAT chargeable in respect of the Services.
- 5.3 The Supplier shall invoice the Customer as specified in the Agreement. Each invoice shall include such supporting information required by the Customer to verify the accuracy of the invoice, including the relevant Purchase Order Number and a breakdown of the Services supplied in the invoice period.
- 5.4 In consideration of the supply of the Services by the Supplier, the Customer shall pay the Supplier the invoiced amounts no later than 30 days after verifying that the invoice is valid and undisputed and includes a valid Purchase Order Number. The Customer may, without prejudice to any other rights and remedies under the Agreement, withhold or reduce payments in the event of unsatisfactory performance.
- 5.5 If the Customer fails to consider and verify an invoice in a timely fashion the invoice shall be regarded as valid and undisputed for the purpose of paragraph 5.4 after a reasonable time has passed.
- 5.6 If there is a dispute between the Parties as to the amount invoiced, the Customer shall pay the undisputed amount. The Supplier shall not suspend the supply of the Services unless the Supplier is entitled to terminate the Agreement for a failure to pay undisputed sums in accordance with clause 16.4. Any disputed amounts shall be resolved through the dispute resolution procedure detailed in clause 19.
- 5.7 If a payment of an undisputed amount is not made by the Customer by the due date, then the Customer shall pay the Supplier interest at the interest rate specified in the Late Payment of Commercial Debts (Interest) Act 1998.
- 5.8 Where the Supplier enters into a sub-contract, the Supplier shall include in that sub-contract:



- 5.8.1 provisions having the same effects as clauses 5.3 to 5.7 of this Agreement; and
  - 5.8.2 a provision requiring the counterparty to that sub-contract to include in any sub-contract which it awards provisions having the same effect as 5.3 to 5.8 of this Agreement.
  - 5.8.3 In this clause 5.8, “sub-contract” means a contract between two or more suppliers, at any stage of remoteness from the Authority in a subcontracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of this Agreement.
- 5.9 If any sum of money is recoverable from or payable by the Supplier under the Agreement (including any sum which the Supplier is liable to pay to the Customer in respect of any breach of the Agreement), that sum may be deducted unilaterally by the Customer from any sum then due, or which may come due, to the Supplier under the Agreement or under any other agreement or contract with the Customer. The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Customer in order to justify withholding payment of any such amount in whole or in part.

## **6 Premises and equipment**

- 6.1 If necessary, the Customer shall provide the Supplier with reasonable access at reasonable times to its premises for the purpose of supplying the Services. All equipment, tools and vehicles brought onto the Customer’s premises by the Supplier or the Staff shall be at the Supplier’s risk.
- 6.2 If the Supplier supplies all or any of the Services at or from the Customer’s premises, on completion of the Services or termination or expiry of the Agreement (whichever is the earlier) the Supplier shall vacate the Customer’s premises, remove the Supplier’s plant, equipment and unused materials and all rubbish arising out of the provision of the Services and leave the Customer’s premises in a clean, safe and tidy condition. The Supplier shall be solely responsible for making good any damage to the Customer’s premises or any objects contained on the Customer’s premises which is caused by the Supplier or any Staff, other than fair wear and tear.
- 6.3 If the Supplier supplies all or any of the Services at or from its premises or the premises of a third party, the Customer may, during normal business hours and on reasonable notice, inspect and examine the manner in which the relevant Services are supplied at or from the relevant premises.
- 6.4 The Customer shall be responsible for maintaining the security of its premises in accordance with its standard security requirements. While on the Customer’s premises the Supplier shall, and shall procure that all Staff shall, comply with all the Customer’s security requirements.
- 6.5 Where all or any of the Services are supplied from the Supplier’s premises, the Supplier shall, at its own cost, comply with all security requirements specified by the Customer in writing.
- 6.6 Without prejudice to clause 3.2.6, any equipment provided by the Customer for the purposes of the Agreement shall remain the property of the Customer and shall be used by the Supplier and the Staff only for the purpose of carrying out the

Agreement. Such equipment shall be returned promptly to the Customer on expiry or termination of the Agreement.

- 6.7 The Supplier shall reimburse the Customer for any loss or damage to the equipment (other than deterioration resulting from normal and proper use) caused by the Supplier or any Staff. Equipment supplied by the Customer shall be deemed to be in a good condition when received by the Supplier or relevant Staff unless the Customer is notified otherwise in writing within 5 Working Days.

## **7 Staff and Key Personnel**

- 7.1 If the Customer reasonably believes that any of the Staff are unsuitable to undertake work in respect of the Agreement, it may, by giving written notice to the Supplier:

- 7.1.1 refuse admission to the relevant person(s) to the Customer's premises;
- 7.1.2 direct the Supplier to end the involvement in the provision of the Services of the relevant person(s); and/or
- 7.1.3 require that the Supplier replace any person removed under this clause with another suitably qualified person and procure that any security pass issued by the Customer to the person removed is surrendered,

and the Supplier shall comply with any such notice.

- 7.2 The Supplier shall:

- 7.2.1 ensure that all Staff are vetted in accordance with the Staff Vetting Procedures;
- 7.2.2 if requested, provide the Customer with a list of the names and addresses (and any other relevant information) of all persons who may require admission to the Customer's premises in connection with the Agreement; and
- 7.2.3 procure that all Staff comply with any rules, regulations and requirements reasonably specified by the Customer.

- 7.3 Any Key Personnel shall not be released from supplying the Services without the agreement of the Customer, except by reason of long-term sickness, maternity leave, paternity leave, termination of employment or other extenuating circumstances.
- 7.4 Any replacements to the Key Personnel shall be subject to the prior written agreement of the Customer (not to be unreasonably withheld). Such replacements shall be of at least equal status or of equivalent experience and skills to the Key Personnel being replaced and be suitable for the responsibilities of that person in relation to the Services.

## **8 Assignment and sub-contracting**

- 8.1 The Supplier shall not without the written consent of the Customer assign, sub-contract, novate or in any way dispose of the benefit and/ or the burden of the Agreement or any part of the Agreement. The Customer may, in the granting of such consent, provide for additional terms and conditions relating to such assignment, sub-contract, novation or disposal. The Supplier shall be responsible for the acts and omissions of its sub-contractors as though those acts and omissions were its own.
- 8.2 Where the Customer has consented to the placing of sub-contracts, the Supplier shall, at the request of the Customer, send copies of each sub-contract, to the Customer as soon as is reasonably practicable.

- 8.3 The Customer may assign, novate, or otherwise dispose of its rights and obligations under the Agreement without the consent of the Supplier provided that such assignment, novation or disposal shall not increase the burden of the Supplier's obligations under the Agreement.

## **9 Intellectual Property Rights**

- 9.1 All intellectual property rights in any materials provided by the Customer to the Supplier for the purposes of this Agreement shall remain the property of the Customer but the Customer hereby grants the Supplier a royalty-free, non-exclusive and non-transferable licence to use such materials as required until termination or expiry of the Agreement for the sole purpose of enabling the Supplier to perform its obligations under the Agreement.
- 9.2 All intellectual property rights in any materials created or developed by the Supplier pursuant to the Agreement or arising as a result of the provision of the Services shall vest in the Supplier. If, and to the extent, that any intellectual property rights in such materials vest in the Customer by operation of law, the Customer hereby assigns to the Supplier by way of a present assignment of future rights that shall take place immediately on the coming into existence of any such intellectual property rights all its intellectual property rights in such materials (with full title guarantee and free from all third party rights).
- 9.3 The Supplier hereby grants the Customer:
- 9.3.1 a perpetual, royalty-free, irrevocable, non-exclusive licence (with a right to sub-license) to use all intellectual property rights in the materials created or developed pursuant to the Agreement and any intellectual property rights arising as a result of the provision of the Services; and
  - 9.3.2 a perpetual, royalty-free, irrevocable and non-exclusive licence (with a right to sub-license) to use:
    - (a) any intellectual property rights vested in or licensed to the Supplier on the date of the Agreement; and
    - (b) any intellectual property rights created during the Term but which are neither created or developed pursuant to the Agreement nor arise as a result of the provision of the Services,

including any modifications to or derivative versions of any such intellectual property rights, which the Customer reasonably requires in order to exercise its rights and take the benefit of the Agreement including the Services provided.

- 9.4 The Supplier shall indemnify, and keep indemnified, the Customer in full against all costs, expenses, damages and losses (whether direct or indirect), including any interest, penalties, and reasonable legal and other professional fees awarded against or incurred or paid by the Customer as a result of or in connection with any claim made against the Customer for actual or alleged infringement of a third party's intellectual property arising out of, or in connection with, the supply or use of the Services, to the extent that the claim is attributable to the acts or omission of the Supplier or any Staff.

## **10 Governance and Records**

- 10.1 The Supplier shall:

- 10.1.1 attend progress meetings with the Customer at the frequency and times specified by the Customer and shall ensure that its representatives are suitably qualified to attend such meetings; and
- 10.1.2 submit progress reports to the Customer at the times and in the format specified by the Customer.
- 10.2 The Supplier shall keep and maintain until 6 years after the end of the Agreement, or as long a period as may be agreed between the Parties, full and accurate records of the Agreement including the Services supplied under it and all payments made by the Customer. The Supplier shall on request afford the Customer or the Customer's representatives such access to those records as may be reasonably requested by the Customer in connection with the Agreement.

## **11 Confidentiality, Transparency and Publicity**

- 11.1 Subject to clause 11.2, each Party shall:
  - 11.1.1 treat all Confidential Information it receives as confidential, safeguard it accordingly and not disclose it to any other person without the prior written permission of the disclosing Party; and
  - 11.1.2 not use or exploit the disclosing Party's Confidential Information in any way except for the purposes anticipated under the Agreement.
- 11.2 Notwithstanding clause 11.1, a Party may disclose Confidential Information which it receives from the other Party:
  - 11.2.1 where disclosure is required by applicable law or by a court of competent jurisdiction;
  - 11.2.2 to its auditors or for the purposes of regulatory requirements;
  - 11.2.3 on a confidential basis, to its professional advisers;
  - 11.2.4 to the Serious Fraud Office where the Party has reasonable grounds to believe that the other Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010;
  - 11.2.5 where the receiving Party is the Supplier, to the Staff on a need to know basis to enable performance of the Supplier's obligations under the Agreement provided that the Supplier shall procure that any Staff to whom it discloses Confidential Information pursuant to this clause 11.2.5 shall observe the Supplier's confidentiality obligations under the Agreement; and
  - 11.2.6 where the receiving Party is the Customer:
    - (a) on a confidential basis to the employees, agents, consultants and contractors of the Customer;
    - (b) on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company to which the Customer transfers or proposes to transfer all or any part of its business;
    - (c) to the extent that the Customer (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions; or

(d) in accordance with clause 12.

and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Customer under this clause 11.

- 11.3 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of the Agreement is not Confidential Information and the Supplier hereby gives its consent for the Customer to publish this Agreement in its entirety to the general public (but with any information that is exempt from disclosure in accordance with the FOIA redacted) including any changes to the Agreement agreed from time to time. The Customer may consult with the Supplier to inform its decision regarding any redactions but shall have the final decision in its absolute discretion whether any of the content of the Agreement is exempt from disclosure in accordance with the provisions of the FOIA.
- 11.4 The Supplier shall not, and shall take reasonable steps to ensure that the Staff shall not, make any press announcement or publicise the Agreement or any part of the Agreement in any way, except with the prior written consent of the Customer.

## **12 Freedom of Information**

- 12.1 The Supplier acknowledges that the Customer is subject to the requirements of the FOIA and the Environmental Information Regulations 2004 and shall:
- 12.1.1 provide all necessary assistance and cooperation as reasonably requested by the Customer to enable the Customer to comply with its obligations under the FOIA and the Environmental Information Regulations 2004;
  - 12.1.2 transfer to the Customer all Requests for Information relating to this Agreement that it receives as soon as practicable and in any event within 2 Working Days of receipt;
  - 12.1.3 provide the Customer with a copy of all Information belonging to the Customer requested in the Request for Information which is in its possession or control in the form that the Customer requires within 5 Working Days (or such other period as the Customer may reasonably specify) of the Customer's request for such Information; and
  - 12.1.4 not respond directly to a Request for Information unless authorised in writing to do so by the Customer.
- 12.2 The Supplier acknowledges that the Customer may be required under the FOIA and the Environmental Information Regulations 2004 to disclose Information concerning the Supplier or the Services (including commercially sensitive information) without consulting or obtaining consent from the Supplier. In these circumstances the Customer shall, in accordance with any relevant guidance issued under the FOIA, take reasonable steps, where appropriate, to give the Supplier advance notice, or failing that, to draw the disclosure to the Supplier's attention after any such disclosure.
- 12.3 Notwithstanding any other provision in the Agreement, the Customer shall be responsible for determining in its absolute discretion whether any Information relating to the Supplier or the Services is exempt from disclosure in accordance with the FOIA

and/or the Environmental Information Regulations 2004.

### **13 Protection of Personal Data and Security of Data**

- 13.1 The Supplier shall, and shall procure that all Staff shall, comply with any notification requirements under the DPA and both Parties shall duly observe all their obligations under the DPA which arise in connection with the Agreement.
- 13.2 Notwithstanding the general obligation in clause 13.1, where the Supplier is processing Personal Data for the Customer as a data processor (as defined by the DPA) the Supplier shall:
- 13.2.1 ensure that it has in place appropriate technical and organisational measures to ensure the security of the Personal Data (and to guard against unauthorised or unlawful processing of the Personal Data and against accidental loss or destruction of, or damage to, the Personal Data), as required under the Seventh Data Protection Principle in Schedule 1 to the DPA;
  - 13.2.2 provide the Customer with such information as the Customer may reasonably request to satisfy itself that the Supplier is complying with its obligations under the DPA;
  - 13.2.3 promptly notify the Customer of:
    - (a) any breach of the security requirements of the Customer as referred to in clause 13.3; and
    - (b) any request for personal data; and
  - 13.2.4 ensure that it does not knowingly or negligently do or omit to do anything which places the Customer in breach of the Customer's obligations under the DPA.
- 13.3 When handling Customer data (whether or not Personal Data), the Supplier shall ensure the security of the data is maintained in line with the security requirements of the Customer as notified to the Supplier from time to time.

### **14 Liability**

- 14.1 The Supplier shall not be responsible for any injury, loss, damage, cost or expense suffered by the Customer if and to the extent that it is caused by the negligence or wilful misconduct of the Customer or by breach by the Customer of its obligations under the Agreement.
- 14.2 Subject always to clauses 14.3 and 14.4:
- 14.2.1 the aggregate liability of the Supplier in respect of all defaults, claims, losses or damages howsoever caused, whether arising from breach of the Agreement, the supply or failure to supply of the Services, misrepresentation (whether tortious or statutory), tort (including negligence), breach of statutory duty or otherwise shall in no event exceed a sum equal to 125% of the Charges paid or payable to the Supplier; and
  - 14.2.2 except in the case of claims arising under clauses 9.4 and 18.3, in no event shall the Supplier be liable to the Customer for any:
    - (a) loss of profits;
    - (b) loss of business;

- (c) loss of revenue;
- (d) loss of or damage to goodwill;
- (e) loss of savings (whether anticipated or otherwise); and/or
- (f) any indirect, special or consequential loss or damage.

14.3 Nothing in the Agreement shall be construed to limit or exclude either Party's liability for:

- 14.3.1 death or personal injury caused by its negligence or that of its Staff;
- 14.3.2 fraud or fraudulent misrepresentation by it or that of its Staff; or
- 14.3.3 any other matter which, by law, may not be excluded or limited.

14.4 The Supplier's liability under the indemnity in clause 9.4 and 18.3 shall be unlimited.

## **15 Force Majeure**

Neither Party shall have any liability under or be deemed to be in breach of the Agreement for any delays or failures in performance of the Agreement which result from circumstances beyond the reasonable control of the Party affected. Each Party shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so. If such circumstances continue for a continuous period of more than two months, either Party may terminate the Agreement by written notice to the other Party.

## **16 Termination**

16.1 The Customer may terminate the Agreement at any time by notice in writing to the Supplier to take effect on any date falling at least 1 month (or, if the Agreement is less than 3 months in duration, at least 10 Working Days) later than the date of service of the relevant notice.

16.2 Without prejudice to any other right or remedy it might have, the Customer may terminate the Agreement by written notice to the Supplier with immediate effect if the Supplier:

- 16.2.1 (without prejudice to clause 16.2.5), is in material breach of any obligation under the Agreement which is not capable of remedy;
- 16.2.2 repeatedly breaches any of the terms and conditions of the Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms and conditions of the Agreement;
- 16.2.3 is in material breach of any obligation which is capable of remedy, and that breach is not remedied within 30 days of the Supplier receiving notice specifying the breach and requiring it to be remedied;
- 16.2.4 undergoes a change of control within the meaning of section 416 of the Income and Corporation Taxes Act 1988;
- 16.2.5 breaches any of the provisions of clauses 7.2, 11, 12, 13 and 17;
- 16.2.6 becomes insolvent, or if an order is made or a resolution is passed for the winding up of the Supplier (other than voluntarily for the purpose of solvent amalgamation or reconstruction), or if an administrator or administrative receiver is appointed in respect of the whole or any part of the Supplier's assets or business, or if the Supplier makes any composition with its

creditors or takes or suffers any similar or analogous action (to any of the actions detailed in this clause 16.2.6) in consequence of debt in any jurisdiction; or

16.2.7 fails to comply with legal obligations in the fields of environmental, social or labour law.

16.3 The Supplier shall notify the Customer as soon as practicable of any change of control as referred to in clause 16.2.4 or any potential such change of control.

16.4 The Supplier may terminate the Agreement by written notice to the Customer if the Customer has not paid any undisputed amounts within 90 days of them falling due.

16.5 Termination or expiry of the Agreement shall be without prejudice to the rights of either Party accrued prior to termination or expiry and shall not affect the continuing rights of the Parties under this clause and clauses 2, 3.2, 6.1, 6.2, 6.6, 6.7, 7, 9, 10.2, 11, 12, 13, 14, 16.6, 17.4, 18.3, 19 and 20.7 or any other provision of the Agreement that either expressly or by implication has effect after termination.

16.6 Upon termination or expiry of the Agreement, the Supplier shall:

16.6.1 give all reasonable assistance to the Customer and any incoming supplier of the Services; and

16.6.2 return all requested documents, information and data to the Customer as soon as reasonably practicable.

## **17 Compliance**

17.1 The Supplier shall promptly notify the Customer of any health and safety hazards which may arise in connection with the performance of its obligations under the Agreement. The Customer shall promptly notify the Supplier of any health and safety hazards which may exist or arise at the Customer's premises and which may affect the Supplier in the performance of its obligations under the Agreement.

17.2 The Supplier shall:

17.2.1 comply with all the Customer's health and safety measures while on the Customer's premises; and

17.2.2 notify the Customer immediately in the event of any incident occurring in the performance of its obligations under the Agreement on the Customer's premises where that incident causes any personal injury or damage to property which could give rise to personal injury.

17.3 The Supplier shall:

17.3.1 perform its obligations under the Agreement in accordance with all applicable equality Law and the Customer's equality and diversity policy as provided to the Supplier from time to time; and

17.3.2 take all reasonable steps to secure the observance of clause 17.3.1. by all Staff.

17.4 The Supplier shall supply the Services in accordance with the Customer's environmental policy as provided to the Supplier from time to time.



17.5 The Supplier shall comply with, and shall ensure that its Staff shall comply with, the provisions of:

17.5.1 the Official Secrets Acts 1911 to 1989; and

17.5.2 section 182 of the Finance Act 1989.

## **18 Prevention of Fraud and Corruption**

18.1 The Supplier shall not offer, give, or agree to give anything, to any person an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of the Agreement or for showing or refraining from showing favour or disfavour to any person in relation to the Agreement.

18.2 The Supplier shall take all reasonable steps, in accordance with good industry practice, to prevent fraud by the Staff and the Supplier (including its shareholders, members and directors) in connection with the Agreement and shall notify the Customer immediately if it has reason to suspect that any fraud has occurred or is occurring or is likely to occur.

18.3 If the Supplier or the Staff engages in conduct prohibited by clause 18.1. or commits fraud in relation to the Agreement or any other contract with the Crown (including the Customer) the Customer may:

18.3.1 terminate the Agreement and recover from the Supplier the amount of any loss suffered by the Customer resulting from the termination, including the cost reasonably incurred by the Customer of making other arrangements for the supply of the Services and any additional expenditure incurred by the Customer throughout the remainder of the Agreement; or

18.3.2 recover in full from the Supplier any other loss sustained by the Customer in consequence of any breach of this clause.

## **19 Dispute Resolution**

19.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Agreement and such efforts shall involve the escalation of the dispute to an appropriately senior representative of each Party.

19.2 If the dispute cannot be resolved by the Parties within one month of being escalated as referred to in clause 19.1, the dispute may by agreement between the Parties be referred to a neutral adviser or mediator (the “**Mediator**”) chosen by agreement between the Parties. All negotiations connected with the dispute shall be conducted in confidence and without prejudice to the rights of the Parties in any further proceedings.

19.3 If the Parties fail to appoint a Mediator within one month, or fail to enter into a written agreement resolving the dispute within one month of the Mediator being appointed, either Party may exercise any remedy it has under applicable law.

## **20 General**

20.1 Each of the Parties represents and warrants to the other that it has full capacity and authority, and all necessary consents, licences and permissions to enter into and perform its obligations under the Agreement, and that the Agreement is executed by

its duly authorised representative.

- 20.2 A person who is not a party to the Agreement shall have no right to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of the Parties.
- 20.3 The Agreement cannot be varied except in writing signed by a duly authorised representative of both the Parties.
- 20.4 The Agreement contains the whole agreement between the Parties and supersedes and replaces any prior written or oral agreements, representations or understandings between them. The Parties confirm that they have not entered into the Agreement on the basis of any representation that is not expressly incorporated into the Agreement. Nothing in this clause shall exclude liability for fraud or fraudulent misrepresentation.
- 20.5 Any waiver or relaxation either partly, or wholly of any of the terms and conditions of the Agreement shall be valid only if it is communicated to the other Party in writing and expressly stated to be a waiver. A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Agreement.
- 20.6 The Agreement shall not constitute or imply any partnership, joint venture, agency, fiduciary relationship or other relationship between the Parties other than the contractual relationship expressly provided for in the Agreement. Neither Party shall have, nor represent that it has, any authority to make any commitments on the other Party's behalf.
- 20.7 Except as otherwise expressly provided by the Agreement, all remedies available to either Party for breach of the Agreement (whether under the Agreement, statute or common law) are cumulative and may be exercised concurrently or separately, and the exercise of one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 20.8 If any provision of the Agreement is prohibited by law or judged by a court to be unlawful, void or unenforceable, the provision shall, to the extent required, be severed from the Agreement and rendered ineffective as far as possible without modifying the remaining provisions of the Agreement, and shall not in any way affect any other circumstances of or the validity or enforcement of the Agreement.

## **21 Notices**

- 21.1 Any notice to be given under the Agreement shall be in writing and may be served by personal delivery, first class recorded or, subject to clause 21.3, e-mail to the address of the relevant Party set out in the Award Letter, or such other address as that Party may from time to time notify to the other Party in accordance with this clause:
- 21.2 Notices served as above shall be deemed served on the Working Day of delivery provided delivery is before 5.00pm on a Working Day. Otherwise delivery shall be deemed to occur on the next Working Day. An email shall be deemed delivered when sent unless an error message is received.
- 21.3 Notices under clauses 15 (Force Majeure) and 16 (Termination) may be served by email only if the original notice is then sent to the recipient by personal delivery or recorded delivery in the manner set out in clause 21.1.

## **22 Governing Law and Jurisdiction**

The validity, construction and performance of the Agreement, and all contractual and non-contractual matters arising out of it, shall be governed by English law and shall be subject to the exclusive jurisdiction of the English courts to which the Parties submit.

## Appendix 1

### PROCESSING, PERSONAL DATA AND DATA SUBJECTS

1. This Schedule shall be completed by the Authority, who may take account of the view of the Contractor, however the final decision as to the content of this Schedule shall be with the Authority at its absolute discretion.
2. The contact details of the Authority Data Protection Officer are:
3. The Contractor shall comply with any further written instructions with respect to processing by the Authority.
4. Any such further instructions shall be incorporated into this Schedule.

Data Processing descriptor	Narrative
Identity of the Controller and Processor	The Parties acknowledge that for the purposes of the Data Protection Legislation, the Authority is the Controller and the Contractor is the Processor in accordance with Clause 13.
Subject matter of the processing	The processing is needed in order to ensure that the Processor can effectively deliver the services required by the contract.
Duration of the processing	Duration of the contract
Nature and purposes of the processing	The nature of the processing means any operation such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data (whether or not by automated means) etc.
Type of Personal Data	Name, address, date of birth, NI number, telephone number, pay, images, biometric data etc
Categories of Data Subject	Staff (including volunteers, agents, and temporary workers), customers/ clients, suppliers, patients, students/pupils, members of the public, users of a

	particular website etc
<p>Plan for return and destruction of the data once the processing is complete</p> <p>UNLESS requirement under union or member state law to preserve that type of data</p>	<p>The Provider will store relevant personal data in an electronic file, specific to the programme, in its central document management system which is stored, backed up and supported within the UK. Some hard copy documentation may also be stored in a physical matter file in the UK. Relevant personal data will be retained in accordance with the Provider's Physical Records Retention Policy, which specifies a standard retention period for 6 years after termination or expiry of the Contract.</p>

## Annex 2 - Charges

Item	Deliverables	Staff Grade	Day £ rate	No. of days	Total price (ex. VAT) £
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<b>Total exc VAT</b>					

## **Annex 3 - Specification**

### **Research into impacts of Switzerland & Ghana, Basel Action Network and EU proposals for Basel Convention**

#### **Aim:**

To determine the economic, social and environmental impacts to the UK of proposals made under the Basel Convention on further controls of Waste Electrical and Electronic Equipment (WEEE) and Used Electrical and Electronic Equipment (UEEE). This includes proposals made by Switzerland and Ghana, Basel Action Network (BAN), and EU proposals. This research will also explore a possible alternative to these proposals raised by industry, called TechUK industry proposal.

#### **Overarching objectives:**

1. Quantify the amount of non-hazardous WEEE and UEEE exported from the UK.
2. Assess the impacts on industry, the environment and wider society of the Swiss and Ghana and EU proposals on non-hazardous WEEE and UEEE.
3. Assess the impacts on industry, the environment and wider society of the BAN and techUK industry proposals on WEEE and UEEE.
4. Analyse the non-hazardous WEEE and UEEE domestic industries infrastructure.

More information on what is required for each objective can be found in the work packages below.

#### **Background:**

Defra is commissioning research into understanding the potential impacts of proposals made to amend the Basel Convention (listed below) to develop the negotiating position it will take when these are discussed in the Basel Conference of Parties in July 2022. There is currently a lack of evidence and data on UK exports of non-hazardous WEEE and UEEE which a number of proposals address. Through informal stakeholder engagement and discussion with regulators, Defra has collated an initial qualitative assessment of impacts for each of the proposals but more substantial and quantitative evidence is required to develop an informed position. This will take an in-depth investigation of the UK WEEE and Used EEE industry, including consideration of its supply chains, infrastructure and the impacts on exporters of obtaining Prior Informed Consent (PIC).

The PIC process regulates shipments of hazardous and other wastes. It is a legally binding framework which requires exporters to obtain PIC from regulators in the countries of dispatch, transit and destination for shipments, and to put in place a financial guarantee to provide for the costs of returning the waste to the UK if it cannot be recycled in the destination country. This adds an additional cost to the exporter and may alter their

decisions around exporting. This research will explore the impacts of introducing the requirement of PIC for non-hazardous WEEE and UEEE.

There are significant gaps in the data, particularly for exports non-hazardous waste and UEEE, as UK exporters either do not have to report this information to regulators (we are aware that England and Wales do not collect green list data, but Scotland and Northern Ireland do) and genuine UEEE suitable for reuse is out of scope of current waste legislation (Waste considered low risk to the environment under the Shipments of Waste Regulations is called green list waste which can be imported and exported without the need for prior authorisation). Due to this, the extent of the impact from the Swiss Ghanaian and BAN proposals is not straightforward to assess.

Furthermore, there is a need to examine the infrastructure and capacity to process UEEE and WEEE in the UK as the requirement for PIC may alter businesses choice to export. This will also depend on the size of different businesses as large waste management companies (WMC) who are vertically integrated and deal with waste up the hierarchy may deal with the PIC process differently to smaller operators. Investigating the market structure will allow us to analyse the incentives and choices of businesses across the supply chain and to understand how the burden will be distributed.

Background on the Basel Convention and the relevant proposals below:

The Basel Convention on the control of transboundary movements of hazardous and other wastes and their disposal was created to protect people and the environment from the negative effects of the inappropriate management of wastes worldwide. It is the most comprehensive global treaty dealing with hazardous waste materials, and other wastes which are considered to pose a greater threat to the environment, throughout their lifecycles, from production and transport to final use and disposal.<sup>[1]</sup>

Key provisions:

- **Minimisation** of generation of hazardous and other wastes
- **Control system for transboundary movements** of hazardous and other wastes based on notification and Prior Informed Consent
- **Environmentally sound management** of hazardous and other wastes in relation to transboundary movements

Swiss & Ghana proposal:

- Proposal to amend Annexes II, VIII and IX to the Basel Convention to be considered by the Conference of the Parties at its fifteenth meeting
  - The proposal by Ghana and Switzerland consists of:
    - Adding a new entry Y49 on ANNEX II “Categories of waste requiring special consideration” of the Basel Convention (BC) for Waste Electrical and Electronic Equipment



(WEEE) its components and constituents not characterized as hazardous, and

- Rewording entry A1180 on Annex VIII for e-waste characterized as hazardous, and
- Deleting the e-waste entry B1110 on ANNEX IX of the Convention, since this entry is captured by the new entry Y49 as mirror entry of entry A1180, and
- Deleting the entry B4030 on ANNEX IX of the Convention since this entry becomes redundant and is captured in the new entry Y49.

As a result of these amendments, all transboundary shipments of WEEE regardless of whether it is characterized as hazardous or not, will be subject to the PIC procedure of the Basel Convention / notification controls. Currently, non-hazardous WEEE can be sent to some countries under green list controls, this proposal would impact these current arrangements.

The Swiss-Ghanaian proposal covers both whole WEEE and WEEE derived components if the components are also classified as waste. Components sourced from UEEE or WEEE that are still fully functional and are (after the dismantling operation) to be exported for direct re-use would be classified as a (second-hand) product (e.g. a fully functional hard disk, that was dismantled from a laptop) and would be outside the scope of this proposal. Please note that for simplicity the term WEEE will be used for both WEEE and WEEE derived components.

The Swiss-Ghanaian proposal does not address the waste/non-waste issue around Used Electrical and Electronic Equipment (EEE). Concerning this matter Ghana and Switzerland have proposed complementary measures accompanying this amendment proposal that are included in chapter 7 of their formal proposal. Unlike the BAN proposal, this proposal is not aimed at addressing the 'repairable loophole' (This loophole means that if a used electrical item is claimed by the exporter to be destined for repair or reuse, it is not considered to be waste and falls outside the scope of the Basel Convention).

EU proposal:

- Proposal by the European Union to amend the disposal and recovery operation codes in Annex IV, two footnotes to entry Y48 in Annex II and two footnotes to entry B3011 in Annex IX to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal:
  - o These proposed changes include introductory text in Annex IV, add new codes, delete and amend some existing operation codes
- The proposals for amendments to the two footnotes in Annexes II and IX of the Convention are a by-product of the proposed changes to the operation codes proposed in Annex IV of the Basel Convention.
  - o The EU suggest these amendments will improve clarity and explain what non-recovery operations and recovery mean. The inclusion of 'catch all operations' is to cover future new disposal operation

methods which are not known to date. The inclusion of new 'R20-preparing for reuse (e.g. checking, cleaning, repair, refurbishment)' recovery operation is to distinguish between the preparation and reuse of waste which at the point of reusing is no longer considered waste. This proposal would put WEEE intended for repair and reuse under Annex IV of the Basel convention. We understand that this proposal is predominantly to provide clarity rather than making WEEE subject to PIC. Therefore, we'd be interested to see whether this proposal is expected to create similar impact to ones discussed for the Swiss Ghanaian and BAN proposals and therefore will also be covered by the research carried out in work package 2.

#### BAN proposal:

- BAN have proposed that the WEEE listings must include non-functional (claimed as repairable) WEEE as well as those deemed non-hazardous as Annex II wastes. BAN have proposed amended text for the new code proposed by the Swiss/ Ghanaian proposal (Y49) and a new code in Annex II of the Basel Convention (Y50) to address this.
  - o Below is a summary of the proposal:
    - Only 'fully functional' Used-EEE would be allowed to be exported under 'Green List' controls (this means the item should not require any repair and should be suitable for reuse without any further assessment).
    - Used-EEE that was claimed to be repairable would be subject to Basel / PIC controls, i.e. not just WEEE that's been defined as such.
    - BAN have suggested new text for the new Y49 code to address this.
    - BAN have also proposed a new code Y50 in Annex II of the BC to specifically address non-functional or untested electrical and electronic equipment destined for reuse, including repair.

In short, BAN's proposed amendment to the Swiss and Ghana proposal aims to ensure that all non-functional e-wastes, including that described as UEEE, are effectively covered (alongside non-hazardous WEEE) by the Basel Convention in Annex II.

This proposal is aimed at addressing the 'repairable loophole' used by some unscrupulous exporters (i.e. If a used electrical item is claimed to be destined for repair or reuse, it falls outside the scope of the Basel Convention and is not considered to be waste).

#### TechUK industry proposal:

- As an alternative to the BAN proposal, techUK have put forward a 'trusted trade' model for international shipments of UEEE for repair and refurbishment. This is an Authorised Economic Operator (AEO) model to help provide assurance that a shipment is both genuine UEEE and that the receiving site is adequately provisioned to manage the products responsibly. An AEO (or 'trusted trader') is a party involved in the international movement of goods in whatever

function that has been approved by, or on behalf of, a national administration as complying with World Customs Organisation (WCO) or equivalent supply chain security standards. Those standards relate to:

- Demonstration of compliance with customs requirements
  - Satisfactory system for the management of commercial records
  - Financial viability
  - Consultation, cooperation, and communication
  - Education, training, and awareness
- In other words, “Green passports” or “Circular Economy Passports” are assigned to “trusted traders” i.e., exports who have proven their transboundary movements of UEEE are for legitimate purposes. They suggest using a plurilateral approach where countries join on as they desire or are able.
  - The Basel Convention’s technical guidelines on transboundary movements of electrical and electronic waste and used electrical and electronic equipment, in particular regarding the distinction between waste and non-waste under the Basel Convention already outline criteria for identifying legitimate shipments of UEEE. Under paragraph 32a and 33b (can be found [here](#)) which outlines the paperwork and packaging that verifies that used EEE is destined for reuse, extended use by the original owner, failure analysis, repair, or refurbishment.
  - Typically, when dealing with facilities in non-OECD countries ‘Trusted Traders’ would be expected to adopt this approach:
    - **Selection Criteria** – when identifying facilities to perform repair and refurbishment activities, formal selection criteria are used, including ones necessary to ensure the environmentally sustainable management of these operations.
    - **Contractual documents** - once the selection is complete, a formal contract is signed with the entity performing repair and refurbishment activities. All requirements are included in a MSA (Master Service Agreement) and in a SOW (Statement of Work) that are contractually binding, making the entity liable in case of violations.
    - **Operational reviews** - every month, Operational Reviews take place to verify compliance to performance indicators and contractual requirements. The entity performing repair and refurbishment activities is required to provide all the necessary documentation and objective evidence (e.g., pictures, videos) to prove compliance.
    - **Periodic on-site audits** - the facilities that perform repair or refurbishment activities are subject to periodic (usually annual) on-site audits, by OEM qualified auditors. Though the usage of standardised checklists, they verify that the facility complies with all requirements contractually agreed, with particular focus on environmental aspects. e.g., during the repair cycle, no use of banned substances or ensuring the use of qualified subcontractors for recycling the few UEEE products that, after testing, cannot be repaired.

	Waste Status	Subject to PIC			
Type of EEE	Waste Status	Current Situation	BAN Proposal	Swiss Ghana Proposal (amendments to Annexes II, VIII and IX)	EU Proposal
			<p>Y49 Non-functional or untested electrical and electronic equipment that is not destined for reuse, including repair, not containing components included on list A and not contaminated with ANNEX I constituents to an extent that the waste exhibits an ANNEX III characteristic; or waste electrical components not containing and not contaminated with ANNEX I constituents to an extent that the waste exhibits an ANNEX III characteristic (note the related entry on list A1180).</p> <p>Y50 Non-functional or untested electrical and electronic equipment destined for reuse, including repair.</p>	<p>Adding a new entry Y49 on ANNEX II "Categories of waste requiring special consideration" of the</p> <p>Basel Convention (BC) for Waste Electrical and Electronic Equipment (WEEE) its components and</p> <p>constituents not characterized as hazardous, and</p> <p>_ Rewording entry A1180 on Annex VIII for e-waste characterized as hazardous, and</p> <p>_ deleting the e-waste entry B1110 on ANNEX IX of the Convention, since this entry is captured by the</p> <p>new entry Y49 as mirror entry of entry A1180, and</p> <p>_ deleting the entry B4030 on ANNEX IX of the Convention since this entry becomes redundant and is</p> <p>captured in the new entry Y49.</p> <p><b>All e-waste moved transboundary, be it characterized as hazardous or not, will be subject to PIC</b></p>	<p>(Annex IV (adding D and R codes), two footnotes to entry Y48 in Annex II and two footnotes to entry B3011 in Annex IX to the Convention (In two footnotes of entry Y48 in Annex II to the Convention and in two footnotes of entry B3011 in Annex IX to the Convention, the text "Recycling/reclamation of organic substances that are not used as solvents (R21 in Annex IV, sect. B)" shall be replaced by "Recycling of organic substances (e.g. physical/mechanical treatment, chemical treatment) (R21 in Annex IV, sect. B)" and the text "operation R3" shall be replaced by "operation R21".)</p>

Fully functioning hazardous UEEE	Non Waste	N/A (not waste)	N/A (not waste)	N/A (not waste)	N/A (not waste)
Fully functioning non-hazardous UEEE	Non Waste	N/A (not waste)	N/A (not waste)	N/A (not waste)	N/A (not waste)
Non-repairable hazardous UEEE	Waste (if its hazardous then its notifiable)	Yes (Annex VIII)	Yes (Annex VIII)	Yes (Annex VIII)	Yes (Annex VIII)
Non-repairable non-hazardous UEEE	Waste	No	Yes (Annex II (Y49))	Yes (Annex II (Y49))	No (however the waste will fall under new recovery operation code R20 unless it is found to be non-repairable)
Repairable non-hazardous UEEE	Non Waste	No	Yes (Annex II (Y50)) <sup>1</sup>	No	No
Repairable hazardous UEEE	Non Waste	No	Yes (Annex II (Y50))	No	No
Hazardous WEEE	Waste	Yes (Annex VIII; A1180)	Yes (Annex VIII)	Yes (Annex VIII)	Yes (Annex VIII)
Non-hazardous WEEE	Waste	No	Yes (Annex II (Y49))	Yes (Annex II (Y49))	No (however, the waste will fall under new recovery operation code R20 if it is repairable)
WEEE derived components	Waste components are	No (non-hazardous)	Non-haz = Yes (Annex II (Y49))	Non-haz = Yes (Annex II (Y49)) <sup>2</sup>	No

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<sup>1</sup> BAN's view is that if it is Used EEE, there has to be a test to determine whether it is functional or not

(if its hazardous then its notifiable)	always waste unless tested to show they aren't – only whole appliances can be exported as repairable non waste				
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### Project Outputs:

1. A written report meeting the objectives and requirements set out in the work packages below, which can be developed subject to regular discussions with Defra. This report will improve Defra's data set and knowledge of the WEEE and UEEE market and help Defra determine the UK policy position ahead of the face to face COP in June 2022.
2. All assumptions, limitations, spreadsheets, modelling tools etc. must be very clearly documented and submitted to Defra at the end of the project so that, if necessary, further analysis could be undertaken either by Defra or externally.
3. An executive summary of no more than 2 pages that summarises the findings for an informed but non-technical policy audience
4. A summary slide pack of no more than X slides presenting the key findings and recommendations to an informed but non-technical policy audience

Researchers should document in detail all assumptions relating to scenarios and analyse and explain sensitivity of results to the assumptions made. Presenting the research clearly and swiftly will allow Defra policy to evaluate the outcome of the research to determine the UK negotiating position in time for the COP in 2022. All output must be provided by email to the Defra Project Officer.

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<sup>2</sup> The proposal states that components which are dismantled from an EEE or WEEE and which are fully functional and destined for direct re-use would not fall under Y49 or A1180)

## Approach and Methodology:

The tenderers will be expected to clearly set out the methods in which they expect to meet each work package. This may include but is not limited to:

- Interviews with stakeholders
- Analysing existing data
- Gathering new data and analysis
- Literature review – to include destination countries views

The outcome of Work package 1 will provide the foundations required to assess the impact of the three proposals (EU, Swiss Ghana and BAN) put forward. The BAN proposal builds upon and goes beyond the requirements of the EU and Swiss Ghana proposals. Based on this we expect that the output from Work package 2 can be prior to completion of Work package 3. This would allow Defra to start analysing the outcome of the research for each proposal in time for COP as the outcomes of the work becomes available. We are however open to considering an alternative delivery timeline within the delivery date of Feb 2022.

### **Work Package 1:** Quantify the amount of non-hazardous WEEE exported from the UK

1. Identify and collect data to estimate the tonnage and value of non-hazardous WEEE and UEEE exported from the UK, including consideration of future waste arisings.<sup>3</sup>
  - a. Additionally, identify how much of this non-hazardous WEEE, if any, already falls under PIC controls. This could for example apply to WEEE containing mixed plastics wastes.
2. Estimate a breakdown of tonnages and value by different types of non-hazardous WEEE and UEEE exported.
3. Determine the breakdown of non-hazardous WEEE and UEEE exported to OECD and non-OECD countries.
4. Estimate the number of shipments of non-hazardous WEEE and UEEE exported including the number of containers within a shipment, to OECD and non-OECD countries. This links with work packages 2 and 3 to make an assessment of the number of notifications required under PIC.
5. Determine the strengths and weaknesses of data sources for non-hazardous WEEE exported.

### **Work Package 2:** Assess the impacts on industry if the Swiss-Ghanaian and EU proposals are accepted

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<sup>3</sup> used EEE is not waste and therefore is not hazardous or non-hazardous. If the used EEE has been wrongly classified as non-waste it could in reality be hazardous

1. Assess how this will impact business decisions to export non-hazardous WEEE. For example, businesses may either choose to continue to export WEEE, recycle WEEE domestically or exit the market. This may require consideration of business margins associated with the different options and what additional capacity there is to recycle WEEE domestically (linking with work package 4).
2. Determine the costs and revenues for each of these options, including an assessment of the costs faced by industry for obtaining PIC. This will involve quantifying the number of shipments moving under the PIC control process and the total costs faced by businesses for notification and obtaining financial guarantees. As well as an assessment of the costs and revenues for treating and recycling WEEE.
3. Assess the impact of the proposals on different businesses and stakeholders across the supply chain and examine how costs could be distributed. The impacts of the proposals could affect recycling companies, shipping lines, waste brokers, local authorities and large/small waste management companies differently.
  - a. Also consider the impacts on greenhouse gas emissions as a result of PIC requirements being placed on WEEE and UEEE.
4. Examine any wider impacts of the proposals including any potential risks or opportunities.
5. Explore if accepting the EU proposal will have any other unintended consequences to the waste industry or circular economy.
6. How many waste shipments will be impacted by the new R20 code proposed in the EU proposal?

**Work Package 3:** Assess the impacts on industry if the BAN proposal or techUK industry proposal is accepted

1. Determine how the requirements of PIC being in place on UEEE exports will impact the circular economy. For example, businesses may either choose to continue to export UEEE for repair or reuse, repair or sell for reuse domestically, or treat UEEE as WEEE. As above, this will require an assessment of the costs incurred by businesses due to the requirements of PIC to understand how it will impact decision making.
2. What impact will UEEE being treated as waste, instead of being re-used, have on businesses across the supply chain? What impacts would this have on the circular economy, consumers and on the environment?
  - a. This involves carrying out an assessment of whether this would be a net benefit or cost to carbon reduction.
3. Assess whether the BAN proposal will reduce illegal exports under the 'repairable loophole' used by some unscrupulous exporters to export WEEE under the guise that it is UEEE destined for repair or reuse. (Please note, some of this material is shipped as "household goods" rather than explicitly as used EEE).



4. Examine any wider impacts of the proposal including any potential risks or opportunities.
5. How many businesses would be expected to sign up to this scheme and how many would already fulfil the requirements to become a trusted trader under the techUK proposal?
  - a. How will this impact small and medium sized business?
6. How costly is the process involved in the techUK proposal? This includes the cost incurred to become a trusted trader, the monitoring and audits that take place afterwards in addition to any other costs.
  - a. Will these costs be incurred or passed on?
7. Based on the findings of point 6, could you suggest ideas for practical enforcement?
8. Assess the effectiveness of the techUK proposal and any wider impacts that may arise if it is accepted.

**Work Package 4:** Analyse the WEEE and UEEE industries infrastructure

1. Assess how much WEEE (by waste types) is recycled in the UK and assess how much operational capacity there is. Similarly, assess how much UEEE is sent for repair within the UK.
2. If there are capacity constraints, determine what the barriers are for developing infrastructure to recycle WEEE domestically and the costs of developing WEEE recycling infrastructure. What are the barriers to developing a market for repair in the UK and the costs of developing this infrastructure?

