

DPS Schedule 6 (Order Form and Order Schedules)

Order Form

ORDER REFERENCE: **P2772**

THE BUYER: **HM Treasury**

BUYER ADDRESS **1 Horse Guards Rd, London, SW1A 2HQ**

THE SUPPLIER: Ricardo-AEA Ltd

SUPPLIER ADDRESS: Shoreham Technical Centre,
Old Shoreham Rd,
Shoreham-By-Sea,
West Sussex,
BN43 5FG

REGISTRATION NUMBER: 8229264

DUNS NUMBER: 218606679

DPS SUPPLIER REGISTRATION SERVICE ID: 950847

APPLICABLE DPS CONTRACT

This Order Form is for the provision of the Deliverables and dated 30 July 2024.

It's issued under the DPS Contract with the reference number **RM6126** for the provision of research and insights services to help inform **UK Carbon Border Adjustment Mechanism (CBAM) - Determination of system boundaries and production of estimated embodied emissions.**

DPS FILTER CATEGORY(IES):
Category Reference: 51378

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ORDER INCORPORATED TERMS

The following documents are incorporated into this Order Contract. Where numbers are missing we are not using those schedules. If the documents conflict, the following order of precedence applies:

1. This Order Form including the Order Special Terms and Order Special Schedules.
2. Joint Schedule 1(Definitions and Interpretation) **RM6126**
3. The following Schedules in equal order of precedence:
 - Joint Schedules for **RM6126**
 - Joint Schedule 2 (Variation Form)
 - Joint Schedule 3 (Insurance Requirements)
 - Joint Schedule 4 (Commercially Sensitive Information)
 - Joint Schedule 6 (Key Subcontractors)
 - Joint Schedule 7 (Financial Difficulties)
 - Joint Schedule 10 (Rectification Plan)
 - Joint Schedule 11 (Processing Data)
 - Order Schedules for **RM6126**
 - Order Schedule 3 (Continuous Improvement)
 - Order Schedule 9 (Security)
 - Order Schedule 10 (Exit Management)
 - Order Schedule 14 (Service Levels)
 - Order Schedule 15 (Order Contract Management)
 - Order Schedule 20 (Order Specification)
4. CCS Core Terms (DPS version) v1.0.3
5. Joint Schedule 5 (Corporate Social Responsibility) **RM6126**

No other Supplier terms are part of the Order Contract. That includes any terms written on the back of, added to this Order Form, or presented at the time of delivery.

ORDER SPECIAL TERMS

The following Special Terms are incorporated into this Call-Off Contract:
None.

ORDER START DATE: 01 August 2024

ORDER EXPIRY DATE: 31 October 2024

ORDER INITIAL PERIOD: 3 Months

CALL-OFF EXTENSION OPTIONS: 1 period of 1 Month (1 month)

DELIVERABLES

See details in Order Schedule 20 (Order Specification)

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MAXIMUM LIABILITY

The limitation of liability for this Order Contract is stated in Clause 11.2 of the Core Terms.

The Estimated Year 1 Charges used to calculate liability in the first Contract Year is **£145,759**.

ORDER CHARGES

If your project is split into numerous activities which you would like priced separately please include below	Price
[REDACTED]	[REDACTED]
Total fixed price including all expenses but excluding VAT	£145,759

REIMBURSABLE EXPENSES

None

PAYMENT METHOD

Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.

Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

Invoices should be submitted to: [REDACTED]

BUYER'S INVOICE ADDRESS:

Accounts Payable

HM Treasury

Rosebery Court, St Andrew's Business Park, Norwich, NR7 0HS

Invoicequeries@hmtreasury.gov.uk

BUYER'S AUTHORISED REPRESENTATIVE

[REDACTED]

RM6126 - Research & Insights DPS

Project Version: v1.0

Model Version: v1.3

BUYER'S ENVIRONMENTAL POLICY
Not Applicable

BUYER'S SECURITY POLICY
Appended at Order Schedule 9

SUPPLIER'S AUTHORISED REPRESENTATIVE
[REDACTED]

SUPPLIER'S CONTRACT MANAGER
[REDACTED]

PROGRESS REPORT FREQUENCY
Bi-weekly

PROGRESS MEETING FREQUENCY
Monthly on the first Working Day of each month (dates to be agreed following contract award)

KEY STAFF
[REDACTED]

KEY SUBCONTRACTOR(S)
NONE

E-AUCTIONS
Not applicable

COMMERCIALLY SENSITIVE INFORMATION
The Charges proposed for the services. From bid submission plus six months after the Term.

SERVICE CREDITS
Not applicable

ADDITIONAL INSURANCES
Not applicable

GUARANTEE
Not applicable

SOCIAL VALUE COMMITMENT
The Supplier agrees, in providing the Deliverables and performing its obligations under the Call-Off Contract, that it will comply with the social value commitments in Call-Off Schedule 20 (Order Specification).

Signed - via DocuSign
Supplier
<Supplier Sign Here>
[REDACTED]
Buyer
<Commercial Sign Here>
[REDACTED]

Joint Schedule 11 (Processing Data)

Status of the Controller

- .1 The Parties acknowledge that for the purposes of the Data Protection Legislation, the nature of the activity carried out by each of them in relation to their respective obligations under a Contract dictates the status of each party under the DPA. A Party may act as:
- .1.1 “Controller” in respect of the other Party who is “Processor”;
 - .1.2 “Processor” in respect of the other Party who is “Controller”;
 - .1.3 “Joint Controller” with the other Party;
 - .1.4 “Independent Controller” of the Personal Data where there other Party is also “Controller”,

in respect of certain Personal Data under a Contract and shall specify in Annex 1 (*Processing Personal Data*) which scenario they think shall apply in each situation.

Where one Party is Controller and the other Party its Processor

- .2 Where a Party is a Processor, the only Processing that it is authorised to do is listed in Annex 1 (*Processing Personal Data*) by the Controller.
- .3 The Processor shall notify the Controller immediately if it considers that any of the Controller’s instructions infringe the Data Protection Legislation.
- .4 The Processor shall provide all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment prior to commencing any Processing. Such assistance may, at the discretion of the Controller, include:
- .4.1 a systematic description of the envisaged Processing and the purpose of the Processing;
 - .4.2 an assessment of the necessity and proportionality of the Processing in relation to the Services;
 - .4.3 an assessment of the risks to the rights and freedoms of Data Subjects; and
 - .4.4 the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.
- .5 The Processor shall, in relation to any Personal Data Processed in connection with its obligations under the Contract:
- .5.1 Process that Personal Data only in accordance with Annex 1 (*Processing Personal Data*), unless the Processor is required to do otherwise by Law. If it is so required the Processor shall notify the Controller before Processing the Personal Data unless prohibited by Law;

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- .5.2 ensure that it has in place Protective Measures, including in the case of the Supplier the measures set out in Clause 14.3 of the Core Terms, which the Controller may reasonably reject (but failure to reject shall not amount to approval by the Controller of the adequacy of the Protective Measures) having taken account of the:
- (a) nature of the data to be protected;
 - (b) harm that might result from a Personal Data Breach;
 - (c) state of technological development; and
 - (d) cost of implementing any measures;
- .5.3 ensure that :
- (a) the Processor Personnel do not Process Personal Data except in accordance with the Contract (and in particular Annex 1 (*Processing Personal Data*));
 - (b) it takes all reasonable steps to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that they:
 - (i) are aware of and comply with the Processor's duties under this Joint Schedule 11, Clauses 14 (*Data protection*), 15 (*What you must keep confidential*) and 16 (*When you can share information*);
 - (ii) are subject to appropriate confidentiality undertakings with the Processor or any Subprocessor;
 - (iii) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise permitted by the Contract; and
 - (iv) have undergone adequate training in the use, care, protection and handling of Personal Data;
- .5.4 not transfer Personal Data outside of the EU unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:
- (a) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Controller;
 - (b) the Data Subject has enforceable rights and effective legal remedies;
 - (c) the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and

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- (d) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the Processing of the Personal Data; and
- .5.5 at the written direction of the Controller, delete or return Personal Data (and any copies of it) to the Controller on termination of the Contract unless the Processor is required by Law to retain the Personal Data.
- .6 Subject to paragraph 7 of this Joint Schedule 11, the Processor shall notify the Controller immediately if in relation to it Processing Personal Data under or in connection with the Contract it:
 - .6.1 receives a Data Subject Access Request (or purported Data Subject Access Request);
 - .6.2 receives a request to rectify, block or erase any Personal Data;
 - .6.3 receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
 - .6.4 receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data Processed under the Contract;
 - .6.5 receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
 - .6.6 becomes aware of a Personal Data Breach.
- .7 The Processor's obligation to notify under paragraph 6 of this Joint Schedule 11 shall include the provision of further information to the Controller, as details become available.
- .8 Taking into account the nature of the Processing, the Processor shall provide the Controller with assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under paragraph 6 of this Joint Schedule 11 (and insofar as possible within the timescales reasonably required by the Controller) including by immediately providing:
 - .8.1 the Controller with full details and copies of the complaint, communication or request;
 - .8.2 such assistance as is reasonably requested by the Controller to enable it to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation;
 - .8.3 the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
 - .8.4 assistance as requested by the Controller following any Personal Data Breach; and/or
 - .8.5 assistance as requested by the Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Controller with the Information Commissioner's Office.

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- .9 The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Joint Schedule 11. This requirement does not apply where the Processor employs fewer than 250 staff, unless:
 - .9.1 the Controller determines that the Processing is not occasional;
 - .9.2 the Controller determines the Processing includes special categories of data as referred to in Article 9(1) of the GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the GDPR; or
 - .9.3 the Controller determines that the Processing is likely to result in a risk to the rights and freedoms of Data Subjects.
- .10 The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.
- .11 The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.
- .12 Before allowing any Subprocessor to Process any Personal Data related to the Contract, the Processor must:
 - .12.1 notify the Controller in writing of the intended Subprocessor and Processing;
 - .12.2 obtain the written consent of the Controller;
 - .12.3 enter into a written agreement with the Subprocessor which give effect to the terms set out in this Joint Schedule 11 such that they apply to the Subprocessor; and
 - .12.4 provide the Controller with such information regarding the Subprocessor as the Controller may reasonably require.
- .13 The Processor shall remain fully liable for all acts or omissions of any of its Subprocessors.
- .14 The Relevant Authority may, at any time on not less than 30 Working Days' notice, revise this Joint Schedule 11 by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when incorporated by attachment to the Contract).
- .15 The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Relevant Authority may on not less than 30 Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

Where the Parties are Joint Controllers of Personal Data

- .16 In the event that the Parties are Joint Controllers in respect of Personal Data under the Contract, the Parties shall implement paragraphs that are necessary to comply with GDPR Article 26 based on the terms set out in Annex 2 to this Joint Schedule 11 (*Processing Data*).

Independent Controllers of Personal Data

- .17 With respect to Personal Data provided by one Party to another Party for which each Party acts as Controller but which is not under the Joint Control of the Parties, each Party undertakes to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Controller.
- .18 Each Party shall Process the Personal Data in compliance with its obligations under the Data Protection Legislation and not do anything to cause the other Party to be in breach of it.
- .19 Where a Party has provided Personal Data to the other Party in accordance with paragraph 7 of this Joint Schedule 11 above, the recipient of the Personal Data will provide all such relevant documents and information relating to its data protection policies and procedures as the other Party may reasonably require.
- .20 The Parties shall be responsible for their own compliance with Articles 13 and 14 GDPR in respect of the Processing of Personal Data for the purposes of the Contract.
- .21 The Parties shall only provide Personal Data to each other:
 - .21.1 to the extent necessary to perform their respective obligations under the Contract;
 - .21.2 in compliance with the Data Protection Legislation (including by ensuring all required data privacy information has been given to affected Data Subjects to meet the requirements of Articles 13 and 14 of the GDPR); and
 - .21.3 where it has recorded it in Annex 1 (*Processing Personal Data*).
- .22 Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of Processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, each Party shall, with respect to its Processing of Personal Data as Independent Controller, implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the GDPR.
- .23 A Party Processing Personal Data for the purposes of the Contract shall maintain a record of its Processing activities in accordance with Article 30 GDPR and shall make the record available to the other Party upon reasonable request.
- .24 Where a Party receives a request by any Data Subject to exercise any of their rights under the Data Protection Legislation in relation to the Personal Data provided to it by the other Party pursuant to the Contract (**“Request Recipient”**):

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- .24.1 the other Party shall provide any information and/or assistance as reasonably requested by the Request Recipient to help it respond to the request or correspondence, at the cost of the Request Recipient; or
- .24.2 where the request or correspondence is directed to the other Party and/or relates to that other Party's Processing of the Personal Data, the Request Recipient will:
 - (a) promptly, and in any event within five (5) Working Days of receipt of the request or correspondence, inform the other Party that it has received the same and shall forward such request or correspondence to the other Party; and
 - (b) provide any information and/or assistance as reasonably requested by the other Party to help it respond to the request or correspondence in the timeframes specified by Data Protection Legislation.
- .25 Each Party shall promptly notify the other Party upon it becoming aware of any Personal Data Breach relating to Personal Data provided by the other Party pursuant to the Contract and shall:
 - .25.1 do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Personal Data Breach;
 - .25.2 implement any measures necessary to restore the security of any compromised Personal Data;
 - .25.3 work with the other Party to make any required notifications to the Information Commissioner's Office and affected Data Subjects in accordance with the Data Protection Legislation (including the timeframes set out therein); and
 - .25.4 not do anything which may damage the reputation of the other Party or that Party's relationship with the relevant Data Subjects, save as required by Law.
- .26 Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under the Contract as specified in Annex 1 (*Processing Personal Data*).
- .27 Personal Data shall not be retained or processed for longer than is necessary to perform each Party's respective obligations under the Contract which is specified in Annex 1 (*Processing Personal Data*).
- .28 Notwithstanding the general application of paragraphs 2 to 15 of this Joint Schedule 11 to Personal Data, where the Supplier is required to exercise its regulatory and/or legal obligations in respect of Personal Data, it shall act as an Independent Controller of Personal Data in accordance with paragraphs 16 to 27 of this Joint Schedule 11.

Annex 1 - Processing Personal Data

This Annex shall be completed by the Controller, who may take account of the view of the Processors, however the final decision as to the content of this Annex shall be with the Relevant Authority at its absolute discretion.

1.1.1.1 The contact details of the Relevant Authority's Data Protection Officer are: [REDACTED]

The contact details of the Supplier's Data Protection Officer are: [REDACTED]

The Processor shall comply with any further written instructions with respect to Processing by the Controller.

1.1.1.2 Any such further instructions shall be incorporated into this Annex.

Description	Details
Identity of Controller for each Category of Personal Data	<p>1. The Relevant Authority is Controller and the Supplier is Processor The Parties acknowledge that in accordance with paragraph 3 to paragraph 16 and for the purposes of the Data Protection Legislation, the Relevant Authority is the Controller and the Supplier is the Processor of the following Personal Data:</p> <ul style="list-style-type: none"> ● Name ● Phone number ● Email address
Duration of the Processing	<i>Duration of the contract.</i>
Nature and purposes of the Processing	<p>For all Services described in this requirement, the Supplier shall provide the Authority with access to obtain advice, process data and support for, including but not limited to the following:</p> <ul style="list-style-type: none"> ● Contact info for key staff
Type of Personal Data	<ul style="list-style-type: none"> ● Name ● Phone number ● Email address

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Categories of Data Subject	<ul style="list-style-type: none">● <i>Staff (including volunteers, agents, and temporary workers),</i>
Plan for return and destruction of the data once the Processing is complete UNLESS requirement under Union or Member State law to preserve that type of data	<ul style="list-style-type: none">● <i>For the duration of the contract. Data will be destroyed (within 2 weeks of contract expiry).</i>

Joint Schedule 6 (Key Subcontractors)

1. Restrictions on certain subcontractors

- i. The Supplier is entitled to sub-contract its obligations under the Framework Contract to the Key Subcontractors set out in the Framework Award Form.
- ii. The Supplier is entitled to sub-contract its obligations under a Call-Off Contract to Key Subcontractors listed in the Framework Award Form who are specifically nominated in the Order Form.
- iii. Where during the Contract Period the Supplier wishes to enter into a new Key Sub-contract or replace a Key Subcontractor, it must obtain the prior written consent of CCS and the Buyer and the Supplier shall, at the time of requesting such consent, provide CCS and the Buyer with the information detailed in Paragraph 1.4. The decision of CCS and the Buyer to consent or not will not be unreasonably withheld or delayed. Where CCS consents to the appointment of a new Key Subcontractor then they will be added to section 18 of the Framework Award Form. Where the Buyer consents to the appointment of a new Key Subcontractor then they will be added to Key Subcontractor section of the Order Form. CCS and the Buyer may reasonably withhold their consent to the appointment of a Key Subcontractor if it considers that:
 - i. the appointment of a proposed Key Subcontractor may prejudice the provision of the Deliverables or may be contrary to its interests;
 - ii. the proposed Key Subcontractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers; and/or
 - iii. the proposed Key Subcontractor employs unfit persons.
- iv. The Supplier shall provide CCS and the Buyer with the following information in respect of the proposed Key Subcontractor:
 - i. the proposed Key Subcontractor's name, registered office and company registration number;
 - ii. the scope/description of any Deliverables to be provided by the proposed Key Subcontractor;
 - iii. where the proposed Key Subcontractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the CCS and the Buyer that the proposed Key Sub-Contract has been agreed on "arm's-length" terms;
 - iv. for CCS, the Key Sub-Contract price expressed as a percentage of the total projected Framework Price over the Framework Contract Period;
 - v. for the Buyer, the Key Sub-Contract price expressed as a percentage of the total projected Charges over the Call Off Contract Period; and
 - vi. (where applicable) Credit Rating Threshold (as defined in Joint Schedule 7 (Financial Distress)) of the Key Subcontractor.

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- v. If requested by CCS and/or the Buyer, within ten (10) Working Days of receipt of the information provided by the Supplier pursuant to Paragraph 1.4, the Supplier shall also provide:
 - i. a copy of the proposed Key Sub-Contract; and
 - ii. any further information reasonably requested by CCS and/or the Buyer.
- vi. The Supplier shall ensure that each new or replacement Key Sub-Contract shall include:
 - i. provisions which will enable the Supplier to discharge its obligations under the Contracts;
 - ii. a right under CRTPA for CCS and the Buyer to enforce any provisions under the Key Sub-Contract which confer a benefit upon CCS and the Buyer respectively;
 - iii. a provision enabling CCS and the Buyer to enforce the Key Sub-Contract as if it were the Supplier;
 - iv. a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-Contract to CCS and/or the Buyer;
 - v. obligations no less onerous on the Key Subcontractor than those imposed on the Supplier under the Framework Contract in respect of:
 - 1. the data protection requirements set out in Clause 14 (Data protection);
 - 2. the FOIA and other access request requirements set out in Clause 16 (When you can share information);
 - 3. the obligation not to embarrass CCS or the Buyer or otherwise bring CCS or the Buyer into disrepute;
 - 4. the keeping of records in respect of the goods and/or services being provided under the Key Sub-Contract, including the maintenance of Open Book Data; and
 - 5. the conduct of audits set out in Clause 6 (Record keeping and reporting);
 - vi. provisions enabling the Supplier to terminate the Key Sub-Contract on notice on terms no more onerous on the Supplier than those imposed on CCS and the Buyer under Clauses 10.4 (When CCS or the Buyer can end this contract) and 10.5 (What happens if the contract ends) of this Contract; and
 - vii. a provision restricting the ability of the Key Subcontractor to sub-contract all or any part of the provision of the Deliverables provided to the Supplier under the Key Sub-Contract without first seeking the written consent of CCS and the Buyer.

Order Schedule 9 (Security)

Part A: Short Form Security Requirements

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Breach of Security"	the occurrence of: a) any unauthorised access to or use of the Deliverables, the Sites and/or any Information and Communication Technology ("ICT"), information or data (including the Confidential Information and the Government Data) used by the Buyer and/or the Supplier in connection with this Contract; and/or b) the loss and/or unauthorised disclosure of any information or data (including the Confidential Information and the Government Data), including any copies of such information or data, used by the Buyer and/or the Supplier in connection with this Contract, in either case as more particularly set out in the Security Policy where the Buyer has required compliance therewith in accordance with paragraph 2.2;
"Security Management Plan"	the Supplier's security management plan prepared pursuant to this Schedule, a draft of which has been provided by the Supplier to the Buyer and as updated from time to time;

2. Complying with security requirements and updates to them

2.1 The Buyer and the Supplier recognise that, where specified in DPS Schedule 4 (DPS Management), CCS shall have the right to enforce the Buyer's rights under this Schedule.

2.2 The Supplier shall comply with the requirements in this Schedule in respect of the Security Management Plan. Where specified by a Buyer that has undertaken a Further Competition it shall also comply with the Security Policy and shall ensure that the Security Management Plan produced by the Supplier fully complies with the Security Policy.

- 2.3 Where the Security Policy applies the Buyer shall notify the Supplier of any changes or proposed changes to the Security Policy.
- 2.4 If the Supplier believes that a change or proposed change to the Security Policy will have a material and unavoidable cost implication to the provision of the Deliverables it may propose a Variation to the Buyer. In doing so, the Supplier must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Charges shall be subject to the Variation Procedure.
- 2.5 Until and/or unless a change to the Charges is agreed by the Buyer pursuant to the Variation Procedure the Supplier shall continue to provide the Deliverables in accordance with its existing obligations.

3. Security Standards

- 3.1 The Supplier acknowledges that the Buyer places great emphasis on the reliability of the performance of the Deliverables, confidentiality, integrity and availability of information and consequently on security.
- 3.2 The Supplier shall be responsible for the effective performance of its security obligations and shall at all times provide a level of security which:
 - 3.2.1 is in accordance with the Law and this Contract;
 - 3.2.2 as a minimum demonstrates Good Industry Practice;
 - 3.2.3 meets any specific security threats of immediate relevance to the Deliverables and/or the Government Data; and
 - 3.2.4 where specified by the Buyer in accordance with paragraph 2.2 complies with the Security Policy and the ICT Policy.
- 3.3 The references to standards, guidance and policies contained or set out in Paragraph 3.2 shall be deemed to be references to such items as developed and updated and to any successor to or replacement for such standards, guidance and policies, as notified to the Supplier from time to time.
- 3.4 In the event of any inconsistency in the provisions of the above standards, guidance and policies, the Supplier should notify the Buyer's Representative of such inconsistency immediately upon becoming aware of the same, and the Buyer's Representative shall, as soon as practicable, advise the Supplier which provision the Supplier shall be required to comply with.

4. Security Management Plan

4.1 Introduction

- 4.1.1 The Supplier shall develop and maintain a Security Management Plan in accordance with this Schedule. The Supplier shall thereafter comply with its obligations set out in the Security Management Plan.

4.2 Content of the Security Management Plan

4.2.1 The Security Management Plan shall:

- (a) comply with the principles of security set out in Paragraph **Error! Reference source not found.** and any other provisions of this Contract relevant to security;
- (b) identify the necessary delegated organisational roles for those responsible for ensuring it is complied with by the Supplier;
- (c) detail the process for managing any security risks from Subcontractors and third parties authorised by the Buyer with access to the Deliverables, processes associated with the provision of the Deliverables, the Buyer Premises, the Sites and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) and any system that could directly or indirectly have an impact on that Information, data and/or the Deliverables;
- (d) be developed to protect all aspects of the Deliverables and all processes associated with the provision of the Deliverables, including the Buyer Premises, the Sites, and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) to the extent used by the Buyer or the Supplier in connection with this Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Deliverables;
- (e) set out the security measures to be implemented and maintained by the Supplier in relation to all aspects of the Deliverables and all processes associated with the provision of the Goods and/or Services and shall at all times comply with and specify security measures and procedures which are sufficient to ensure that the Deliverables comply with the provisions of this Contract;
- (f) set out the plans for transitioning all security arrangements and responsibilities for the Supplier to meet the full obligations of the security requirements set out in this Contract and, where necessary in accordance with paragraph 2.2 the Security Policy; and
- (g) be written in plain English in language which is readily comprehensible to the staff of the Supplier and the Buyer engaged in the provision of the Deliverables and shall only reference documents which are in the possession of the Parties or whose location is otherwise specified in this Schedule.

4.3 Development of the Security Management Plan

- 4.3.1 Within twenty (20) Working Days after the Start Date and in accordance with Paragraph 4.4, the Supplier shall prepare and deliver to the Buyer for Approval a fully complete and up to date Security Management Plan which will be based on the draft Security Management Plan.

- 4.3.2 If the Security Management Plan submitted to the Buyer in accordance with Paragraph 4.3.1, or any subsequent revision to it in accordance with Paragraph 4.4, is Approved it will be adopted immediately and will replace the previous version of the Security Management Plan and thereafter operated and maintained in accordance with this Schedule. If the Security Management Plan is not Approved, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Buyer and re-submit to the Buyer for Approval. The Parties will use all reasonable endeavours to ensure that the approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days from the date of its first submission to the Buyer. If the Buyer does not approve the Security Management Plan following its resubmission, the matter will be resolved in accordance with the Dispute Resolution Procedure.
- 4.3.3 The Buyer shall not unreasonably withhold or delay its decision to Approve or not the Security Management Plan pursuant to Paragraph 4.3.2. However a refusal by the Buyer to Approve the Security Management Plan on the grounds that it does not comply with the requirements set out in Paragraph 4.2 shall be deemed to be reasonable.
- 4.3.4 Approval by the Buyer of the Security Management Plan pursuant to Paragraph 4.3.2 or of any change to the Security Management Plan in accordance with Paragraph 4.4 shall not relieve the Supplier of its obligations under this Schedule.

4.4 Amendment of the Security Management Plan

- 4.4.1 The Security Management Plan shall be fully reviewed and updated by the Supplier at least annually to reflect:
- (a) emerging changes in Good Industry Practice;
 - (b) any change or proposed change to the Deliverables and/or associated processes;
 - (c) where necessary in accordance with paragraph 2.2, any change to the Security Policy;
 - (d) any new perceived or changed security threats; and
 - (e) any reasonable change in requirements requested by the Buyer.
- 4.4.2 The Supplier shall provide the Buyer with the results of such reviews as soon as reasonably practicable after their completion and amendment of the Security Management Plan at no additional cost to the Buyer. The results of the review shall include, without limitation:
- (a) suggested improvements to the effectiveness of the Security Management Plan;
 - (b) updates to the risk assessments; and
 - (c) suggested improvements in measuring the effectiveness of controls.

- 4.4.3 Subject to Paragraph 4.4.4, any change or amendment which the Supplier proposes to make to the Security Management Plan (as a result of a review carried out in accordance with Paragraph 4.4.1, a request by the Buyer or otherwise) shall be subject to the Variation Procedure.
- 4.4.4 The Buyer may, acting reasonably, Approve and require changes or amendments to the Security Management Plan to be implemented on timescales faster than set out in the Variation Procedure but, without prejudice to their effectiveness, all such changes and amendments shall thereafter be subject to the Variation Procedure for the purposes of formalising and documenting the relevant change or amendment.

5. Security breach

- 5.1 Either Party shall notify the other in accordance with the agreed security incident management process (as detailed in the Security Management Plan) upon becoming aware of any Breach of Security or any potential or attempted Breach of Security.
- 5.2 Without prejudice to the security incident management process, upon becoming aware of any of the circumstances referred to in Paragraph 5.1, the Supplier shall:
- 5.2.1 immediately take all reasonable steps (which shall include any action or changes reasonably required by the Buyer) necessary to:
- (a) minimise the extent of actual or potential harm caused by any Breach of Security;
 - (b) remedy such Breach of Security to the extent possible and protect the integrity of the Buyer and the provision of the Goods and/or Services to the extent within its control against any such Breach of Security or attempted Breach of Security;
 - (c) prevent an equivalent breach in the future exploiting the same cause failure; and
 - (d) as soon as reasonably practicable provide to the Buyer, where the Buyer so requests, full details (using the reporting mechanism defined by the Security Management Plan) of the Breach of Security or attempted Breach of Security, including a cause analysis where required by the Buyer.
- 5.3 In the event that any action is taken in response to a Breach of Security or potential or attempted Breach of Security that demonstrates non-compliance of the Security Management Plan with the Security Policy (where relevant in accordance with paragraph 2.2) or the requirements of this Schedule, then any required change to the Security Management Plan shall be at no cost to the Buyer.

Order Schedule 20 (Order Specification)

This Schedule sets out the characteristics of the Deliverables that the Supplier will be required to make to the Buyers under this Order Contract.

Title – UK Carbon Border Adjustment Mechanism (CBAM) - Determination of system boundaries and production of estimated embodied emissions

1. PURPOSE

The UK government has committed to introduce a UK Carbon Border Adjustment Mechanism (CBAM). The mechanism will apply a charge on the carbon emissions embodied within certain emissions-intensive imported goods. This means that the government will need to legislate for the products that will be within scope of the mechanism. Detailed work is needed to finalise the exact scope of the products within the UK CBAM. The first element of work is to produce 'system boundaries' for the glass and ceramics sectors including identifying relevant input materials for proposed products and mapping these to relevant production processes [REDACTED]. A second element of work is assessing production route emissions and using these to estimate imported emissions by product. This requires an understanding of the industrial processes and input materials for the products within the scope of the UK CBAM as well as an understanding of the functioning of the UK emissions trading scheme (ETS).

The work that is sought here is to map the processes and inputs into each of the products to be within scope of the CBAM in the ceramics and glass sectors to create a full list of defined products known as 'CBAM goods'. A proposed list of CBAM goods already exists and is being consulted on – but for each product, this work will set out the 'system boundaries' which set the parameters for what will be included when measuring emissions embodied in those specific products. This work is crucial to the design and delivery of the CBAM as the CBAM product level scope can only be finalised once this is complete.

BACKGROUND TO THE CONTRACTING AUTHORITY

HM Treasury is the government's economic and finance ministry, maintaining control over public spending, setting the direction of the UK's economic policy and working to achieve strong and sustainable economic growth. The department aims to procure the services of a specialist external provider whose work and outputs will help inform HMT's policy thinking regarding a UK Carbon Border Adjustment Mechanism (CBAM) for the ceramics and glass sectors. This broadly consists of developing the system boundaries for products in those sectors and producing estimated imported embodied carbon emissions.

BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

The UK's current main measure to mitigate carbon leakage risk is the system of free allocation under the UK Emissions Trading Scheme (ETS). Reforms to the ETS, as set out by the UK ETS Authority in July 2023, will reduce the overall number of ETS permits available for purchase and from 2026 the overall number of free allowances will also decrease. These reforms will ensure that the UK continues to make progress towards its net zero 2050 target. The UK ETS Authority has consulted on how best to target free allowances from 2026.

In December 2023, the UK publicly committed to introducing a CBAM in 2027 and that decision was factored into the fiscal forecasts at the Spring Budget 2024 (revenue of approximately £200m p.a. in 2027-28).

The government has committed to ensure there is no gap in carbon leakage risk protection as we move through the decarbonisation transition. HM Treasury and the UK ETS Authority will continue to work together to ensure that all carbon leakage mitigation measures, including both free allowances and the UK CBAM, work in a co-ordinated way.

To progress the delivery of the UK CBAM, it is essential to define the emissions embodied within CBAM products and to then refine and finalise that list of products. This means establishing which specific emissions from which specified processes and due to which specific input materials used in the production of a product in scope of the CBAM would be counted as part of the relevant emissions base for each individual product.

This work is critical for government as HMT ministers will not be able to confirm the tax base for the UK CBAM unless the relevant emissions associated with those products can be defined and government will not be able to legislate for the tax. It would also not be possible to take decisions on any other elements of the policy that rely on a strong understanding of the emissions base such as default values and the development of Monitoring, Reporting and Verification rules.

Given that this work is the precursor to other tax design work like the Monitoring, Reporting and Verification of emissions and default values this work is time-critical. It is also important to note that the CBAM is a complex mechanism and so announcing the final list of products ('CBAM goods') in advance is critical to ensure business readiness and promote compliance.

This work will support the UK's thinking on carbon leakage at product level regardless of any wider future Government's decisions on the UK CBAM.

DEFINITIONS

Expression or Acronym	Definition
CBAM	Carbon border adjustment mechanism.

Monitoring, Reporting and Verification of emissions	A set of rules set by the government that specify the accepted methodology and reporting and verification requirements that must be use in declaring emissions for the purposes of complying with government policy.
System boundaries	The parameters for determining the emissions embodied within CBAM products. This means setting which specific emissions, from which specified processes, due to which specific input materials used in the production of CBAM goods are relevant. They will be set for aggregated goods categories within each of the CBAM sectors.
CBAM goods/product level scope	CBAM goods refer to the specific imports which will be liable to the UK CBAM. These are set out by product at a mixture of commodity code levels: Chapter in the Harmonized System (HS) (2 digits), HS heading (4 digits), HS subheading (6 digits) and CN subheading (8 digits). The broadest code possible was used to simplify the consultation publication [REDACTED]. Where a broad level code (e.g. a Chapter level code with two digits) is used, this also captures all more specific codes within it.
UK ETS	UK Emissions Trading Scheme – the UK’s primary carbon pricing mechanism.

SCOPE OF REQUIREMENT

Within scope:

Ceramics and glass sectors–

As defined by Chapters 69 and 70 of the UK Integrated Online Tariff [\(\[trade-tariff.service.gov.uk\]\(https://trade-tariff.service.gov.uk\)\)](https://trade-tariff.service.gov.uk).

A proposal for product level scope of the UK CBAM was set out by commodity code in Annex A of the consultation ‘Introduction of a UK carbon border adjustment mechanism’.

[Introduction of a UK carbon border adjustment mechanism from January 2027.docx.pdf](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/644242/introduction_of_a_uk_carbon_border_adjustment_mechanism_from_january_2027.docx.pdf)
(publishing.service.gov.uk)

Relevant input materials for complex ceramics and glass goods that may be outside of these sectors.

Consideration of alignment with the UK ETS including for the allocation of free allowances and the reporting of emissions.

Excluded from scope:

CBAM and/or emissions intensive sectors outside of those outlined above.

Operational design, functionality and policy of the UK CBAM. Any assumptions required on CBAM policy will be provided by HMT to the supplier.

Operational design, functionality and policy of the UK ETS which is the responsibility of the UK ETS Authority. Any assumptions on ETS policy will be provided by government to the supplier based on decisions taken by the UK ETS Authority.

Mandatory elements:

Stage 1 - system boundaries. The system boundaries determine which emissions from which processes are relevant when measuring emissions for a specific good. At the same time, the product scope determines which goods are relevant to those system boundaries. For example, the determination of precursor goods will impact the system boundaries for groups of products but will also be impacted by which products are in scope to begin with. Therefore, they cannot be treated in isolation. System boundaries must be set out by production process (as well as product) to reflect that for some products, an identical or near identical product can be formed via one or more processes, with varying resulting emissions.

Stage 2 – estimation of embodied emissions. Following the initial proposal for system boundaries and product level scope (Stage 1), work will pivot to the estimation of the current emission intensities of CBAM products produced in the UK, and those imported to the UK from key UK trading partners (HM Treasury will confirm trading partners). To do that, an assessment of the emissions associated with the relevant production processes as defined by the system boundaries will need to be made. For the UK and the key trading partners of relevant CBAM goods, production levels across those production routes will need to be established. From there, a picture of the production route of goods imported to the UK will be built. From the emissions intensity data by process, the direct and indirect emissions embodied in imported CBAM goods will be estimated using country level electricity grid emissions intensities.

Review. Stage 1 outputs (mapping of system boundaries and list of precursor goods) would need to be reviewed alongside the country level direct and indirect emissions for key trading partners. This is to ensure that principles are correct, to refine boundary definitions and to update emissions values if required.

Optional elements: N/A

THE REQUIREMENT

Stage 1 requirements - system boundaries. The system boundaries determine which emissions from which processes are relevant when measuring emissions for a specific good. At the same time, the product scope determines which goods are relevant to those system boundaries. For example, the determination of precursor goods will impact the system boundaries for groups of products but will also be impacted by which products are in scope to begin with. Therefore, they cannot be treated in isolation. System boundaries must be set out by production process (as well as product) to reflect that for some products,

an identical or near identical product can be formed via one or more processes, with varying resulting emissions.

While not an exhaustive list, we expect this work to result in the following outcomes:

[REDACTED]

[REDACTED]

Identifying input materials within the glass and ceramics sectors [REDACTED] and identifying relevant 'precursor goods'

Mapping of system boundaries for ceramic and glass products, by production process [REDACTED] using aggregated goods categories.

Mapping to UK ETS system boundaries to illustrate where system boundaries for the UK CBAM align with the scope of the UK ETS (all products must be within scope) and how this aligns with the provision of free allowances within the UK ETS – for example, where product or fallback benchmarks are used within the UK ETS. HMT will be available to help confirm any policy assumptions needed for the supplier to do this assessment.

While not an exhaustive list, we expect this work to result in the following outputs:

A technical paper setting out the principles and framework for determining system boundaries [REDACTED]

System boundary maps covering industrial processes and products within the ceramics and glass sectors by aggregated goods category, as well as an accompanying paper including a list of those products deemed suitable for consideration as CBAM 'precursor goods'. [REDACTED]

Stage 2 – estimation of embodied emissions. Following the initial proposal for system boundaries and product level scope (Stage 1), work will pivot to the estimation of the current emission intensities of CBAM products both produced in the UK and imported to the UK from key UK trading partners (HM Treasury will confirm trading partners). To do that, an assessment of the emissions associated with the relevant production processes as defined by the system boundaries will need to be made. For the UK and the key trading partners of relevant CBAM goods, production levels across those production routes will need to be established. From there, a picture of the production route of goods imported to the UK will be built. From the emissions intensity data by process, the direct and indirect emissions embodied in imported CBAM goods will be estimated using country level electricity grid emissions intensities.

While not necessarily an exhaustive list, we expect the outcomes of this work to include:

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Determining production routes emissions for relevant UK CBAM products as identified within Stage 1.

Establishing production routes for CBAM products used by the UK and the UK's key trading partners (HM Treasury will provide the definition of key trading partners).

Estimated direct, indirect, and total embodied emissions for UK produced CBAM products.

Estimated direct, indirect, and total embodied emissions for CBAM products produced by key UK trading partners.

While not necessarily an exhaustive list, we expect the outputs from this work to include:

Dataset and accompanying paper setting out the production route emissions for products by production route.

Dataset and accompanying paper including estimated direct, indirect, and total embodied emissions for products by country of origin, including both the UK and the UK's key trading partners.

Review: review stage 1 outputs (mapping of system boundaries and list of precursor goods) alongside the country level direct and indirect emissions for key trading partners.

While not an exhaustive list, we expect the outcomes of this stage to be:

A comprehensive review of stage 1 outputs to ensure that principles are correct, to refine boundary definitions and to update emissions values if required.

While not an exhaustive list, we expect the outputs from this stage to be:

Updated mapped system boundaries.

Updated paper with list of precursor goods and emissions data.

Skills required: economic skills to ensure the accurate development of emissions measurement, engineering or other relevant skills to ensure a good understanding of industrial production processes and project management skills to ensure the successful delivery of the project.

[REDACTED]

[REDACTED]

KEY MILESTONES AND DELIVERABLES

The following Contract milestones/deliverables shall apply:

Milestone/Deliverable	Description	Timeframe or Delivery Date
1	Principles and framework for determining system boundaries	Within week 3 of Contract Award
2	Mapped system boundaries for glass and ceramics sectors and accompanying paper	Within week 7 of Contract Award
3	Production route emissions by product – data set and paper	Within week 10 of Contract Award
4	Estimated direct and indirect embodied emissions for UK and key trading partners by product – data set and paper	Within week 13 of Contract Award
5	Reviewed system boundaries, precursor goods list and emissions of key traders	Within week 14 of Contract Award

MANAGEMENT INFORMATION/REPORTING

The following activities shall take place to ensure adequate progress of the project:

Reporting – all reports must be submitted by the supplier within 3 working days of the agreed milestones.

Monitoring - monthly progress meetings between HMT CBAM project team and the external provider to monitor progress, discuss potential risks to delivery and agree relevant mitigations if necessary. The project team will send a summary of those meetings, including an update on risks and mitigations [REDACTED]

[REDACTED]

Approvals – outputs at the end of each stage must be signed off [REDACTED] – for example, if the service provider requires information to progress the work that was not identified at the outset.

VOLUMES

Report volumes as set out in the output lists in section 6.

CONTINUOUS IMPROVEMENT

The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.

The Supplier should present new ways of working to the Authority during monthly contract review meetings.

Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

QUALITY

The support/delivery of the requirement by the supplier should be of a high quality. The implementation of essential quality outputs will form part of the delivery of the requirement. Specific quality requirements will be agreed as part of supplier mobilisation post contract award.

PRICE

Prices are to be submitted via the e-Sourcing Suite [Attachment 4 – Price Schedule excluding VAT and including all other expenses relating to Contract delivery.

Prices are to be submitted as a fixed price supported by a Time and Materials breakdown for the resource working on the project.

STAFF AND CUSTOMER SERVICE

The Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service.

The Supplier's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.

The Supplier shall ensure that staff understand the Authority's vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

SERVICE LEVELS AND PERFORMANCE

The Supplier shall provide a sufficient level of capable resource throughout the duration of the Contract and consistently deliver a high-quality service.

The Supplier's staff assigned to the contract shall have the relevant qualifications and experience to deliver the contracted service to the required standard.

The supplier must provide an escalation point to resolve any issues with the availability of the service.

In the event of termination of the contract the Supplier must provide a complete copy of all data and documents held within the system in a format and timescale that is acceptable to the Buyer and which will be agreed during contract mobilisation. Once this transfer has been validated by the Buyer, the Supplier must ensure that its copies of all the data and documents are deleted.

The Authority will measure the quality of the Supplier's delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	Output -based KPI	Outputs to be delivered in line with agreed scope within 3 working days of agreed deadline.	100%

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2	Customer service	Outputs from the supplier will be deemed of high quality by the review team.	95%
3	Availability KPI	Supplier will respond to queries from project team within 3 working days.	95%

Social value KPI/s to be agreed with the supplier on contract mobilisation.

SECURITY AND CONFIDENTIALITY REQUIREMENTS

[REDACTED]

PAYMENT AND INVOICING

Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.

Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

Invoices should be submitted to: [REDACTED]

For any questions related to the detail of the contract with the exception of invoicing, please contact [REDACTED]

CONTRACT MANAGEMENT

Attendance at Contract Review meetings shall be at the Supplier's own expense.

LOCATION

The location of the Services will be carried out virtually.

