

SHORT FORM CONTRACT FOR THE SUPPLY OF GOODS AND/OR SERVICES

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II. Cover Letter



Department for Energy Security & Net Zero

The Royal United Services Institute for Defence and Security Studies ("RUSI")

61 Whitehall

London

SW1A 2ET

Attn: [REDACTED]

Date: 20/12/2023

Our ref: prj_2637

Dear [REDACTED]

Following your tender for the supply of **UK future dependencies on China in clean energy supply chains** to The Department for Energy Security & Net Zero ("DESNZ"), we are pleased confirm our intention to award this Contract to you.

The attached Order Form, contract Conditions and the Annexes set out the terms of the Contract between DESNZ and The Royal United Services Institute for Defence and Security Studies ("RUSI") for the provision of the Deliverables set out in the Order Form.

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 Deliverables. Please confirm your acceptance of this Contract by signing the Order Form using DESNZ's e-Signature portal. No other form of acknowledgement will be accepted. Please remember to include the reference number(s) above in any future communications relating to this Contract.

We will then arrange for the Order Form to be countersigned which will create a binding contract between us.

Yours faithfully,

[REDACTED]

Assistant Commercial Lead, DESNZ (International Net Zero)

III. Order Form

1. Contract Reference	Prj_2637 / con_5450	
2. Buyer	Department for Energy Security & Net Zero, 3-8 Whitehall Place, London, SW1A 2EG. In entering into this Contract, the Buyer is acting as part of the Crown and the Supplier shall be treated as contracting with the Crown as a whole.	
3. Supplier	The Royal United Services Institute for Defence and Security Studies ("RUSI"), 61 Whitehall, London, SW1A 2ET, charity number 210639.	
4. The Contract	<p>This Contract between the Buyer and the Supplier is for the supply of Deliverables.</p> <p>The Supplier shall supply the Deliverables described below on the terms set out in this Order Form and the attached contract conditions ("Conditions") and Annexes.</p> <p>Unless the context otherwise requires, capitalised expressions used in this Order Form have the same meanings as in the Conditions.</p>	
5. Deliverables	Goods	<ul style="list-style-type: none"> None
	Services	<p>Description: as set out</p> <ul style="list-style-type: none"> in Annex 2 – Specification and in the Supplier's tender as set out in Annex 4 – Supplier Tender <p>Any discrepancy between the two Annexes, Annex 2 will prevail unless Annex 4 provides a more beneficial solution to DESNZ.</p>
6. Specification	<p>The specification of the Deliverables is as set out</p> <ul style="list-style-type: none"> in Annex 2 – Specification and in the Supplier's tender as set out in Annex 4 – Supplier Tender. 	
7. Start Date	09 th January 2024	
8. Expiry Date	29 th March 2024	
9. Extension Period	The Buyer may extend the Contract by giving not less than 10 Working Days' notice in writing to the Supplier prior to the Expiry Date. The Conditions of the Contract shall apply throughout any such extended period.	
10. Buyer Cause	Any Material Breach of the obligations of the Buyer or any other default, act, omission, negligence or statement of the Buyer, of its employees, servants, agents in connection with or in relation to the subject-matter of the Contract and in respect of which the Buyer is liable to the Supplier.	
11. Optional Intellectual	Not applicable.	

Property Rights (“IPR”) Clauses	
12. Charges	The Charges for the Deliverables shall be as set out in Annex 3 – Charges.
13. Payment	<p>Payment of undisputed invoices will be made within 30 days of receipt of invoice, which must be submitted promptly by the Supplier.</p> <p>All invoices must be sent, quoting a valid Purchase Order Number (PO Number) and any other relevant details, to: the Buyer’s Authorised representative.</p> <p>Within 10 Working Days of receipt of your countersigned copy of this Order Form, we will send you a unique PO Number. You must be in receipt of a valid PO Number before submitting an invoice.</p> <p>To avoid delay in payment it is important that the invoice is compliant and that it includes a valid PO Number, item number (if applicable) and the details (name, email, and telephone number) of your Buyer contact (i.e. Buyer Authorised Representative). Non-compliant invoices may be sent back to you, which may lead to a delay in payment.</p> <p>If you have a query regarding an outstanding payment please contact our Buyer’s Authorised representative.</p>
14. Data Protection Liability Cap	In accordance with clause 12.6 of the Conditions, the Supplier’s total aggregate liability under clause 14.7.5 of the Conditions is no more than the Data Protection Liability Cap, being £500,000.
15. Progress Meetings and Progress Reports	The Supplier shall attend bi-weekly check-in meetings with the Buyer.
16. Buyer Authorised Representative(s)	<p>For general liaison your contact will continue to be</p> <p>██</p> <p>or, in their absence,</p> <p>██</p>
17. Supplier Authorised Representative(s)	<p>For general liaison your contact will continue to be</p> <p>██</p> <p>or, in their absence,</p> <p>██</p>

18. Address for notices	<div> <div> <div></div> <div>3-8 Whitehall Place</div> <div>London</div> <div>SW1A 2EG.</div> <div>Attention: <div></div></div> <div>Email: <div></div></div> <div></div> </div> <div> <div></div> <div>61 Whitehall</div> <div>London</div> <div>SW1A 2ET</div> <div>Attention: <div></div></div> <div>Email: <div></div></div> <div></div> </div> </div>
19. Key Staff	<p>Named staff are identified in Annex 4 – Supplier Tender.</p>
20. Procedures and Policies	<p>N/A</p>
21. Special Terms	<p>N/A</p>
22. Incorporated Terms	<p>The following documents are incorporated into the Contract. If there is any conflict, the following order of precedence applies:</p> <ul style="list-style-type: none"> (a) The cover letter from the Buyer to the Supplier dated 20/12/2023 (b) This Order Form (c) Any Special Terms (see row 21 (Special Terms) in this Order Form) (d) Conditions (e) The following Annexes in equal order of precedence: <ul style="list-style-type: none"> i. Annex 1 – Processing Personal Data ii. Annex 2 – Specification iii. Annex 3 – Charges iv. Annex 4 – Supplier Tender, unless any part of the Tender offers a better commercial position for the Buyer (as decided by the Buyer, in its absolute discretion), in which case that part of the Tender will take precedence over the documents above.

This Order Form will be signed by both parties electronically using the Authority's e-Sourcing Portal. Signatures will be attached to this document upon their execution.

IV. Short form Terms (“Conditions”)

1 DEFINITIONS USED IN THE CONTRACT

1.1 In this Contract, unless the context otherwise requires, the following words shall have the following meanings:

“Affiliates”	in relation to a body corporate, any other entity which directly or indirectly Controls (in either of the senses defined in sections 450 and 1124 of the Corporation Tax Act 2010 and “ Controlled ” shall be construed accordingly), is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;
“Audit”	<p>the Buyer’s right to:</p> <ul style="list-style-type: none"> (a) verify the accuracy of the Charges and any other amounts payable by the Buyer under the Contract (including proposed or actual variations to them in accordance with the Contract); (b) verify the costs of the Supplier (including the costs of all Subcontractors and any third party suppliers) in connection with the provision of the Deliverables; (c) verify the Supplier’s and each Subcontractor’s compliance with the applicable Law; (d) identify or investigate actual or suspected breach of clauses 4 to 34 (inclusive), impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Buyer shall have no obligation to inform the Supplier of the purpose or objective of its investigations; (e) identify or investigate any circumstances which may impact upon the financial stability of the Supplier and/or any Subcontractors or their ability to provide the Deliverables; (f) obtain such information as is necessary to fulfil the Buyer’s obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General; (g) review any books of account and the internal contract management accounts kept by the Supplier in connection with the Contract; (h) carry out the Buyer’s internal and statutory audits and to prepare, examine and/or certify the Buyer’s annual and interim reports and accounts; (i) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Buyer has used its resources;

“Beneficiary”	A Party having (or claiming to have) the benefit of an indemnity under this Contract;
“Buyer Cause”	has the meaning given to it in the Order Form;
“Buyer”	the person named as Buyer in the Order Form. Where the Buyer is a Crown Body the Supplier shall be treated as contracting with the Crown as a whole;
“Charges”	the charges for the Deliverables as specified in the Order Form;
“Claim”	any claim which it appears that the Buyer is, or may become, entitled to indemnification under this Contract;
“Conditions”	means these short form terms and conditions of contract;
“Confidential Information”	all information, whether written or oral (however recorded), provided by the disclosing Party to the receiving Party and which <ul style="list-style-type: none"> (a) is known by the receiving Party to be confidential; (b) is marked as or stated to be confidential; or (c) ought reasonably to be considered by the receiving Party to be confidential;
“Conflict of Interest”	a conflict between the financial or personal duties of the Supplier or the Supplier Staff and the duties owed to the Buyer under the Contract, in the reasonable opinion of the Buyer;
“Contract”	the contract between the Buyer and the Supplier which is created by the Supplier's counter signing the Order Form and includes the cover letter (if used), Order Form, these Conditions and the Annexes;
“Controller”	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
“Crown Body”	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the Welsh Government), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
“Data Loss Event”	any event that results, or may result, in unauthorised access to Personal Data held by the Processor under this Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of this Contract, including any Personal Data Breach;

“Data Protection Impact Assessment”	an assessment by the Controller of the impact of the envisaged processing on the protection of Personal Data;
“Data Protection Legislation”	<ul style="list-style-type: none"> (a) the UK GDPR, (b) the DPA 2018; (c) all applicable Law about the processing of personal data and privacy and guidance issued by the Information Commissioner and other regulatory authority; and (d) (to the extent that it applies) the EU GDPR (and in the event of conflict, the UK GDPR shall apply);
“Data Protection Liability Cap”	has the meaning given to it in row 14 of the Order Form;
“Data Protection Officer”	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
“Data Subject Access Request”	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data;
“Data Subject”	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
“Deliver”	hand over of the Deliverables to the Buyer at the address and on the date specified in the Order Form, which shall include unloading and stacking and any other specific arrangements agreed in accordance with clause 4.2. “Delivered” and “Delivery” shall be construed accordingly;
“Deliverables”	means the Goods, Services, and/or software to be supplied under the Contract as set out in the Order Form;
“DPA 2018”	the Data Protection Act 2018;
“EU GDPR”	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) as it has effect in EU law;
“Existing IPR”	any and all intellectual property rights that are owned by or licensed to either Party and which have been developed independently of the Contract (whether prior to the date of the Contract or otherwise);
“Expiry Date”	the date for expiry of the Contract as set out in the Order Form;

“FOIA”	the Freedom of Information Act 2000 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;
“Force Majeure Event”	<p>any event, circumstance, matter or cause affecting the performance by either the Buyer or the Supplier of its obligations arising from:</p> <ul style="list-style-type: none"> (a) acts, events, omissions, happenings or non-happenings beyond the reasonable control of the Party seeking to claim relief in respect of a Force Majeure Event (the “Affected Party”) which prevent or materially delay the Affected Party from performing its obligations under the Contract; (b) riots, civil commotion, war or armed conflict, acts of terrorism, nuclear, biological or chemical warfare; (c) acts of a Crown Body, local government or regulatory bodies; (d) fire, flood or any disaster; or (e) an industrial dispute affecting a third party for which a substitute third party is not reasonably available <p>but excluding:</p> <ul style="list-style-type: none"> (a) any industrial dispute relating to the Supplier, the Supplier Staff (including any subsets of them) or any other failure in the Supplier or the Subcontractor's supply chain; (b) any event, occurrence, circumstance, matter or cause which is attributable to the wilful act, neglect or failure to take reasonable precautions against it by the Party concerned; and (c) any failure of delay caused by a lack of funds, <p>and which is not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party;</p>
“Good Industry Practice”	standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;
“Goods”	the goods to be supplied by the Supplier to the Buyer under the Contract;
“Government Data”	<ul style="list-style-type: none"> (a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, including any of the Buyer's confidential information, and which: <ul style="list-style-type: none"> (i) are supplied to the Supplier by or on behalf of the Buyer; or

	<p>(ii) the Supplier is required to generate, process, store or transmit pursuant to the Contract; or</p> <p>(b) any Personal Data for which the Buyer is the Controller;</p>
“Indemnifier”	a Party from whom an indemnity is sought under this Contract;
“Independent Controller”	a party which is Controller of the same Personal Data as the other Party and there is no element of joint control with regards to that Personal Data;
“Information Commissioner”	the UK’s independent authority which deals with ensuring information relating to rights in the public interest and data privacy for individuals is met, whilst promoting openness by public bodies;
“Insolvency Event”	<p>in respect of a person:</p> <p>(a) if that person is insolvent;</p> <p>(b) where that person is a company, LLP or a partnership, if an order is made or a resolution is passed for the winding up of the person (other than voluntarily for the purpose of solvent amalgamation or reconstruction);</p> <p>(c) if an administrator or administrative receiver is appointed in respect of the whole or any part of the person’s assets or business;</p> <p>(d) if the person makes any composition with its creditors; or</p> <p>(e) takes or suffers any similar or analogous action to any of the actions detailed in this definition as a result of debt in any jurisdiction;</p>
“IP Completion Day”	has the meaning given to it in the European Union (Withdrawal Agreement) Act 2020;
“Joint Controller Agreement”	the agreement (if any) entered into between the Buyer and the Supplier substantially in the form set out in Part B Joint Controller Agreement of Annex 1 – Processing Personal Data;
“Joint Controllers”	Where two or more Controllers jointly determine the purposes and means of processing;
“Key Staff”	any persons specified as such in the Order Form or otherwise notified as such by the Buyer to the Supplier in writing, following agreement to the same by the Supplier;
“Law”	any law, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of the European Union (Withdrawal) Act 2018 as amended by European Union (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of

	practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
“Material Breach”	a single serious breach or a number of breaches or repeated breaches (whether of the same or different obligations and regardless of whether such breaches are remedied)
“National Insurance”	contributions required by the Social Security Contributions and Benefits Act 1992 and made in accordance with the Social Security (Contributions) Regulations 2001 (SI 2001/1004);
“New IPR Items”	means a deliverable, document, product or other item within which New IPR subsists;
“New IPR”	all and intellectual property rights in any materials created or developed by or on behalf of the Supplier pursuant to the Contract but shall not include the Supplier's Existing IPR;
“Open Licence”	means any material that is published for use, with rights to access and modify, by any person for free, under a generally recognised open licence including Open Government Licence as set out at http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/ as updated from time to time and the Open Standards Principles documented at https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles as updated from time to time;
“Order Form”	the order form signed by the Buyer and the Supplier printed above these Conditions;
“Party”	the Supplier or the Buyer (as appropriate) and “Parties” shall mean both of them;
“Personal Data Breach”	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires and includes any breach of Data Protection Legislation relevant to Personal Data processed pursuant to the Contract;
“Personal Data”	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
“Prescribed Person”	a legal adviser, an MP or an appropriate body which a whistle-blower may make a disclosure to as detailed in ‘Whistleblowing: list of prescribed people and bodies’, 24 November 2016, available online at: https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies as updated from time to time;

“Processor Personnel”	all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under the Contract;
“Processor”	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
“Protective Measures”	<p>technical and organisational measures which must take account of:</p> <ul style="list-style-type: none"> (a) the nature of the data to be protected; (b) harm that might result from Data Loss Event; (c) state of technological development; (d) the cost of implementing any measures; <p>including pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it;</p>
“Purchase Order Number” or “PO Number”	the Buyer’s unique number relating to the order for Deliverables to be supplied by the Supplier to the Buyer in accordance with the Contract;
“Rectification Plan”	<p>the Supplier’s plan (or revised plan) to rectify its Material Breach which shall include:</p> <ul style="list-style-type: none"> (a) full details of the Material Breach that has occurred, including a root cause analysis; (b) the actual or anticipated effect of the Material Breach; and (c) the steps which the Supplier proposes to take to rectify the Material Breach (if applicable) and to prevent such Material Breach from recurring, including timescales for such steps and for the rectification of the Material Breach (where applicable);
“Regulations”	the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2015 (as the context requires) as amended from time to time;
“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”	the services to be supplied by the Supplier to the Buyer under the Contract;
“Specification”	the specification for the Deliverables to be supplied by the Supplier to the Buyer (including as to quantity, description and quality) as specified in the Order Form;

“Staff Vetting Procedures”	vetting procedures that accord with Good Industry Practice or, where applicable, the Buyer’s procedures or policies for the vetting of personnel as specified in the Order Form or provided to the Supplier in writing following agreement to the same by the Supplier from time to time;
“Start Date”	the start date of the Contract set out in the Order Form;
“Sub-Contract”	any contract or agreement (or proposed contract or agreement), other than the Contract, pursuant to which a third party: <ul style="list-style-type: none"> (a) provides the Deliverables (or any part of them); (b) provides facilities or services necessary for the provision of the Deliverables (or any part of them); and/or (c) is responsible for the management, direction or control of the provision of the Deliverables (or any part of them);
“Subcontractor”	any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
“Subprocessor”	any third party appointed to process Personal Data on behalf of the Processor related to the Contract;
“Supplier Staff”	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor of the Supplier engaged in the performance of the Supplier’s obligations under the Contract;
“Supplier”	the person named as Supplier in the Order Form;
“Term”	the period from the Start Date to the Expiry Date as such period may be extended in accordance with clause 11.2 or terminated in accordance with the Contract;
“Third Party IPR”	intellectual property rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Deliverables;
“Transparency Information”	<p>In relation to Contracts with a value above the relevant threshold set out in Part 2 of the Regulations only, the content of the Contract, including any changes to this Contract agreed from time to time, as well as any information relating to the Deliverables and performance pursuant to the Contract required to be published by the Buyer to comply with its transparency obligations, including those set out in Public Procurement Policy Note 09/21 (update to legal and policy requirements to publish procurement information on Contracts Finder)</p> <p>(https://www.gov.uk/government/publications/ppn-0921-requirements-to-publish-on-contracts-finder) as updated from time to time and Public Procurement Policy Note 01/17 (update to transparency principles) where applicable</p> <p>(https://www.gov.uk/government/publications/procurement-policy-note-0117-update-to-transparency-principles) as updated from time to time except for:</p>

	<p>(a) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Buyer; and</p> <p>(b) Confidential Information;</p>
“UK GDPR”	has the meaning as set out in section 3(10) of the DPA 2018, supplemented by section 205(4);
“VAT”	value added tax in accordance with the provisions of the Value Added Tax Act 1994;
“Worker”	any one of the Supplier Staff which the Buyer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) (https://www.gov.uk/government/publications/procurement-policynote-0815-tax-arrangements-of-appointees) as updated from time to time applies in respect of the Deliverables; and
“Working Day”	a day (other than a Saturday or Sunday) on which banks are open for business in the City of London.

2 UNDERSTANDING THE CONTRACT

2.1 In the Contract, unless the context otherwise requires:

- 2.1.1 references to numbered clauses are references to the relevant clause in these Conditions;
- 2.1.2 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;
- 2.1.3 references to “writing” include printing, display on a screen and electronic transmission and other modes of representing or reproducing words in a visible form;
- 2.1.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated, replaced or re-enacted from time to time (including as a consequence of the Retained EU Law (Revocation and Reform) Act) and to any legislation or byelaw made under that Law;
- 2.1.5 the word “including”, “for example” and similar words shall be understood as if they were immediately followed by the words “without limitation”;

- 2.1.6 any reference which, immediately before IP Completion Day (or such later date when relevant EU law ceases to have effect pursuant to section 1A of the European Union (Withdrawal) Act 2018), is a reference to (as it has effect from time to time) any EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement (“**EU References**”) which is to form part of domestic law by application of section 3 of the European Union (Withdrawal) Act 2018 and which shall be read on and after IP Completion Day as a reference to the EU References as they form part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time.

3 HOW THE CONTRACT WORKS

- 3.1 The Order Form is an offer by the Buyer to purchase the Deliverables subject to and in accordance with the terms and conditions of the Contract.
- 3.2 The Supplier is deemed to accept the offer in the Order Form when the Buyer receives a copy of the Order Form signed by the Supplier.
- 3.3 The Supplier warrants and represents that its tender (if any) and all statements made and documents submitted as part of the procurement of Deliverables are and remain true and accurate.

4 WHAT NEEDS TO BE DELIVERED

4.1 All Deliverables

- 4.1.1 The Supplier must provide Deliverables:
- 4.1.1.1 in accordance with the Specification, the tender in Annex 4 – Supplier Tender (where applicable) and the Contract;
 - 4.1.1.2 using reasonable skill and care;
 - 4.1.1.3 using Good Industry Practice;
 - 4.1.1.4 using its own policies, processes and internal quality control measures as long as they don't conflict with the Contract;
 - 4.1.1.5 on the dates agreed; and
 - 4.1.1.6 that comply with all Law.
- 4.1.2 The Supplier must provide Deliverables with a warranty of at least 90 days (or longer where the Supplier offers a longer warranty period to its Buyers) from Delivery against all obvious defects.

4.2 Goods clauses

- 4.2.1 All Goods delivered must be new, or as new if recycled, unused and of recent origin.
- 4.2.2 The Supplier transfers ownership of the Goods on completion of Delivery or payment for those Goods, whichever is earlier.

- 4.2.3 Risk in the Goods transfers to the Buyer on Delivery, but remains with the Supplier if the Buyer notices damage following Delivery and lets the Supplier know within 3 Working Days of Delivery.
- 4.2.4 The Supplier warrants that it has full and unrestricted ownership of the Goods at the time of transfer of ownership.
- 4.2.5 The Supplier must Deliver the Goods on the date and to the location specified in the Order Form, during the Buyer's working hours (unless otherwise specified in the Order Form).
- 4.2.6 The Supplier must provide sufficient packaging for the Goods to reach the point of Delivery safely and undamaged.
- 4.2.7 All deliveries must have a delivery note attached that specifies the order number, type and quantity of Goods.
- 4.2.8 The Supplier must provide all tools, information and instructions the Buyer needs to make use of the Goods.
- 4.2.9 The Supplier will notify the Buyer of any request that Goods are returned to it or the manufacturer after the discovery of safety issues or defects that might endanger health or hinder performance and shall indemnify the Buyer against the costs arising as a result of any such request.
- 4.2.10 The Buyer can cancel any order or part order of Goods which has not been Delivered. If the Buyer gives less than 14 days' notice then it will pay the Supplier's reasonable and proven costs already incurred on the cancelled order as long as the Supplier takes all reasonable endeavours to minimise these costs.
- 4.2.11 The Supplier must at its own cost repair, replace, refund or substitute (at the Buyer's option and request) any Goods that the Buyer rejects because they don't conform with clause 4.2. If the Supplier doesn't do this it will pay the Buyer's costs including repair or re-supply by a third party.
- 4.2.12 The Buyer will not be liable for any actions, claims, costs and expenses incurred by the Supplier or any third party during Delivery of the Goods unless and to the extent that it is caused by negligence or other wrongful act of the Buyer or its servant or agent. If the Buyer suffers or incurs any damage or injury (whether fatal or otherwise) occurring in the course of Delivery or installation then the Supplier shall indemnify the Buyer from any losses, charges, costs or expenses which arise as a result of or in connection with such damage or injury where it is attributable to any act or omission of the Supplier or any of its Subcontractors or Supplier Staff.

4.3 Services clauses

- 4.3.1 Late Delivery of the Services will be a default of the Contract.
- 4.3.2 The Supplier must co-operate with the Buyer and third party suppliers on all aspects connected with the delivery of the Services and ensure that Supplier Staff comply with any reasonable instructions including the security requirements (where any such requirements have been provided).

- 4.3.3 The Buyer must provide the Supplier with reasonable access to its premises at reasonable times for the purpose of supplying the Services
- 4.3.4 The Supplier must at its own risk and expense provide all equipment required to deliver the Services. Any equipment provided by the Buyer to the Supplier for supplying the Services remains the property of the Buyer and is to be returned to the Buyer on expiry or termination of the Contract.
- 4.3.5 The Supplier must allocate sufficient resources and appropriate expertise to the Contract.
- 4.3.6 The Supplier must take all reasonable care to ensure performance does not disrupt the Buyer's operations, employees or other contractors.
- 4.3.7 On completion of the Services, the Supplier is responsible for leaving the Buyer's premises in a clean, safe and tidy condition and making good any damage that it has caused to the Buyer's premises or property, other than fair wear and tear.
- 4.3.8 The Supplier must ensure all Services, and anything used to deliver the Services, are of good quality and free from defects.
- 4.3.9 The Buyer is entitled to withhold payment for partially or undelivered Services, but doing so does not stop it from using its other rights under the Contract.

5 PRICING AND PAYMENTS

- 5.1 In exchange for the Deliverables, the Supplier must invoice the Buyer for the charges in the Order Form.
- 5.2 All Charges:
 - 5.2.1 exclude VAT, which is payable on provision of a valid VAT invoice; and
 - 5.2.2 include all costs and expenses connected with the supply of Deliverables.
- 5.3 The Buyer must pay the Supplier the charges within 30 days of receipt by the Buyer of a valid, undisputed invoice, in cleared funds to the Supplier's account stated in the invoice or in the Order Form.
- 5.4 A Supplier invoice is only valid if it:
 - 5.4.1 includes all appropriate references including the Purchase Order Number and other details reasonably requested by the Buyer; and
 - 5.4.2 includes a detailed breakdown of Deliverables which have been delivered.
- 5.5 If there is a dispute between the Parties as to the amount invoiced, the Buyer shall pay the undisputed amount. The Supplier shall not suspend the provision of the Deliverables unless the Supplier is entitled to terminate the Contract for a failure to pay undisputed sums in accordance with clause 11.6. Any disputed amounts shall be resolved through the dispute resolution procedure detailed in clause 36.
- 5.6 The Buyer may retain or set-off payment of any amount owed to it by the Supplier under this Contract or any other agreement between the Supplier and the Buyer if notice and reasons are provided.

- 5.7 The Supplier must ensure that all Subcontractors are paid, in full, within 30 days of receipt of a valid, undisputed invoice. If this doesn't happen, the Buyer can publish the details of the late payment or non-payment.

6 THE BUYER'S OBLIGATIONS TO THE SUPPLIER

- 6.1 If Supplier fails to comply with the Contract as a result of a Buyer Cause:
- 6.1.1 the Buyer cannot terminate the Contract under clause 11;
 - 6.1.2 the Supplier is entitled to reasonable and proven additional expenses and to relief from liability under this Contract;
 - 6.1.3 the Supplier is entitled to additional time needed to deliver the Deliverables; and
 - 6.1.4 the Supplier cannot suspend the ongoing supply of Deliverables.
- 6.2 Clause 6.1 only applies if the Supplier:
- 6.2.1 gives notice to the Buyer within 10 Working Days of becoming aware;
 - 6.2.2 demonstrates that the failure only happened because of the Buyer Cause; and
 - 6.2.3 mitigated the impact of the Buyer Cause.

7 RECORD KEEPING AND REPORTING

- 7.1 The Supplier must ensure that suitably qualified representatives attend progress meetings with the Buyer and provide progress reports when specified in the Order Form.
- 7.2 The Supplier must keep and maintain full and accurate records and accounts on everything to do with the Contract for 7 years after the date of expiry or termination of the Contract and in accordance with the UK GDPR or the EU GDPR as the context requires.
- 7.3 The Supplier must allow any auditor appointed by the Buyer access to its premises to verify all contract accounts and records of everything to do with the Contract and provide copies for the Audit.
- 7.4 The Buyer or an auditor can Audit the Supplier.
- 7.5 During an Audit, the Supplier must provide information to the auditor and reasonable co-operation at their request.
- 7.6 The Parties will bear their own costs when an Audit is undertaken unless the Audit identifies a Material Breach by the Supplier, in which case the Supplier will repay the Buyer's reasonable costs in connection with the Audit.
- 7.7 If the Supplier is not providing any of the Deliverables, or is unable to provide them, it must immediately:
- 7.7.1 tell the Buyer and give reasons;
 - 7.7.2 propose corrective action; and
 - 7.7.3 provide a deadline for completing the corrective action.

- 7.8 If the Buyer, acting reasonably, is concerned as to the financial stability of the Supplier such that it may impact on the continued performance of the Contract then the Buyer may:
- 7.8.1 require that the Supplier provide to the Buyer (for its approval) a plan setting out how the Supplier will ensure continued performance of the Contract and the Supplier will make changes to such plan as reasonably required by the Buyer and once it is agreed then the Supplier shall act in accordance with such plan and report to the Buyer on demand; and
 - 7.8.2 if the Supplier fails to provide a plan or fails to agree any changes which are requested by the Buyer or fails to implement or provide updates on progress with the plan, terminate the Contract immediately for Material Breach (or on such date as the Buyer notifies) and the consequences of termination in Clause 11.5.1 shall apply.
- 7.9 If there is a Material Breach, the Supplier must notify the Buyer within 3 Working Days of the Supplier becoming aware of the Material Breach. The Buyer may request that the Supplier provide a Rectification Plan within 10 Working Days of the Buyer's request alongside any additional documentation that the Buyer requires. Once such Rectification Plan is agreed between the Parties (without the Buyer limiting its rights) the Supplier must immediately start work on the actions in the Rectification Plan at its own cost.

8 SUPPLIER STAFF

- 8.1 The Supplier Staff involved in the performance of the Contract must:
- 8.1.1 be appropriately trained and qualified;
 - 8.1.2 be vetted in accordance with the Staff Vetting Procedures; and
 - 8.1.3 comply with all conduct requirements when on the Buyer's premises.
- 8.2 Where the Buyer decides one of the Supplier's Staff isn't suitable to work on the Contract, the Supplier must replace them with a suitably qualified alternative.
- 8.3 The Supplier must provide a list of Supplier Staff needing to access the Buyer's premises and say why access is required.
- 8.4 The Supplier indemnifies the Buyer against all claims brought by any person employed or engaged by the Supplier caused by an act or omission of the Supplier or any Supplier Staff.
- 8.5 The Buyer indemnifies the Supplier against all claims brought by any person employed or engaged by the Buyer caused by an act or omission of the Buyer or any of the Buyer's employees, agents, consultants and contractors.
- 8.6 The Supplier shall use those persons nominated (if any) as Key Staff in the Order Form or otherwise notified as such by the Buyer to the Supplier in writing, following agreement to the same by the Supplier to provide the Deliverables and shall not remove or replace any of them unless:
- 8.6.1 requested to do so by the Buyer or the Buyer approves such removal or replacement (not to be unreasonably withheld or delayed);
 - 8.6.2 the person concerned resigns, retires or dies or is on parental or long-term sick leave; or

8.6.3 the person's employment or contractual arrangement with the Supplier or any Subcontractor is terminated for material breach of contract by the employee.

8.7 The Supplier shall ensure that no person who discloses that they have a conviction that is relevant to the nature of the Contract, relevant to the work of the Buyer, or is of a type otherwise advised by the Buyer (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 Deliverables.

9 RIGHTS AND PROTECTION

9.1 The Supplier warrants and represents that:

- 9.1.1 it has full capacity and authority to enter into and to perform the Contract;
- 9.1.2 the Contract is entered into by its authorised representative;
- 9.1.3 it is a legally valid and existing organisation incorporated in the place it was formed;
- 9.1.4 there are no known legal or regulatory actions or investigations before any court, administrative body or arbitration tribunal pending or threatened against it or its affiliates that might affect its ability to perform the Contract;
- 9.1.5 all necessary rights, authorisations, licences and consents (including in relation to IPRs) are in place to enable the Supplier to perform its obligations under the Contract and the Buyer to receive the Deliverables;
- 9.1.6 it doesn't have any contractual obligations which are likely to have a material adverse effect on its ability to perform the Contract; and
- 9.1.7 it is not impacted by an Insolvency Event.

9.2 The warranties and representations in clause 3.3 and clause 9.1 are repeated each time the Supplier provides Deliverables under the Contract.

9.3 The Supplier indemnifies the Buyer against each of the following:

- 9.3.1 wilful misconduct of the Supplier, any of its Subcontractor and/or Supplier Staff that impacts the Contract; and
- 9.3.2 non-payment by the Supplier of any tax or National Insurance.

9.4 If the Supplier becomes aware of a representation or warranty made in relation to the Contract that becomes untrue or misleading, it must immediately notify the Buyer.

9.5 All third party warranties and indemnities covering the Deliverables must be assigned for the Buyer's benefit by the Supplier for free.

10 INTELLECTUAL PROPERTY RIGHTS (“IPRS”)

10.1 Each Party keeps ownership of its own Existing IPRs. The Supplier gives the Buyer a non-exclusive, perpetual, royalty-free, irrevocable, transferable, sub-licensable worldwide licence to use, copy and adapt the Supplier's Existing IPR to enable the Buyer and its sub-licensees to both:

- 10.1.1 receive and use the Deliverables; and

10.1.2 use the New IPR.

The termination or expiry of the Contract does not terminate any licence granted under this clause 10.

- 10.2 Any New IPR created under the Contract is owned by the Buyer. The Buyer gives the Supplier a royalty-free, non-exclusive, non-transferable licence to use, copy, and adapt any Existing IPRs and the New IPR which the Supplier reasonably requires for the purpose of fulfilling its obligations during the Term and commercially exploiting the New IPR developed under the Contract. This licence is sub-licensable to a Subcontractor for the purpose of enabling the Supplier to fulfil its obligations under the Contract, and in that case the Subcontractor must enter into a confidentiality undertaking with the Supplier on the same terms as set out in clause 15 (What you must keep confidential).
- 10.3 Unless otherwise agreed in writing, the Supplier and the Buyer will record any New IPR and keep this record updated throughout the Term.
- 10.4 Where a Party acquires ownership of intellectual property rights incorrectly under this Contract, it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.
- 10.5 Neither Party has the right to use the other Party's intellectual property rights, including any use of the other Party's names, logos or trademarks, except as provided in this clause 10 or otherwise agreed in writing.
- 10.6 If any claim is made against the Buyer 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 Deliverables (an "**IPR Claim**"), then the Supplier indemnifies the Buyer against all losses, damages, costs or expenses (including professional fees and fines) incurred as a result of the IPR Claim.
- 10.7 If an IPR Claim is made or anticipated, the Supplier must at its own option and expense, either:
- 10.7.1 obtain for the Buyer the rights in clause 10.1 without infringing any third party intellectual property rights; and
 - 10.7.2 replace or modify the relevant item with substitutes that don't infringe intellectual property rights without adversely affecting the functionality or performance of the Deliverables.
 - 10.7.3 If the Supplier is not able to resolve the IPR Claim to the Buyer's reasonable satisfaction within a reasonable time, the Buyer may give written notice that it terminates the Contract from the date set out in the notice, or where no date is given in the notice, the date of the notice. On termination, the consequences of termination in clauses 11.5.1 shall apply.
- 10.8 The Supplier shall not use in the Delivery of the Deliverables any Third Party IPR unless:
- 10.8.1 the Buyer gives its approval to do so; and
 - 10.8.2 one of the following conditions applies:
 - 10.8.2.1 the owner or an authorised licensor of the relevant Third Party IPR has granted the Buyer a direct licence that provides the Buyer with the rights in clause 10.1; or

- 10.8.2.2 if the Supplier cannot, after commercially reasonable endeavours, obtain for the Buyer a direct licence to the Third Party IPR as set out in clause 10.8.2.1:
- (a) the Supplier provides the Buyer with details of the licence terms it can obtain and the identity of those licensors;
 - (b) the Buyer agrees to those licence terms; and
 - (c) the owner or authorised licensor of the Third Party IPR grants a direct licence to the Buyer on those terms; or
- 10.8.2.3 the Buyer approves in writing, with reference to the acts authorised and the specific intellectual property rights involved.

10.9 In spite of any other provisions of the Contract and for the avoidance of doubt, award of this Contract by the Buyer and the ordering of any Deliverable under it, does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977, Section 12 of the Registered Designs Act 1949 or Sections 240 – 243 of the Copyright, Designs and Patents Act 1988.

11 ENDING THE CONTRACT

- 11.1 The Contract takes effect on the Start Date and ends on the earlier of the Expiry Date or termination of the Contract, or earlier if required by Law.
- 11.2 The Buyer can extend the Contract where set out in the Order Form in accordance with the terms in the Order Form.
- 11.3 Ending the Contract without a reason**
- 11.3.1 The Buyer has the right to terminate the Contract at any time without reason or liability by giving the Supplier not less than 90 days' written notice, and if it's terminated clause 11.6.2 applies.

11.4 When the Buyer can end the Contract

- 11.4.1 If any of the following events happen, the Buyer has the right to immediately terminate its Contract by issuing a termination notice in writing to the Supplier and the consequences of termination in Clause 11.5.1 shall apply:
- 11.4.1.1 there's a Supplier Insolvency Event;
 - 11.4.1.2 the Supplier is in Material Breach of the Contract;
 - 11.4.1.3 there's a change of control (within the meaning of section 450 of the Corporation Tax Act 2010) of the Supplier which isn't pre-approved by the Buyer in writing;
 - 11.4.1.4 the Buyer discovers that the Supplier was in one of the situations in 57 (1) or 57(2) of the Regulations at the time the Contract was awarded;
 - 11.4.1.5 the Supplier or its affiliates embarrass or bring the Buyer into disrepute or diminish the public trust in them; or

11.4.1.6 the Supplier fails to comply with its legal obligations in the fields of environmental, social, equality or employment Law when providing the Deliverables.

11.4.2 If any of the events in 73(1) (a) or (b) of the Regulations happen, the Buyer has the right to immediately terminate the Contract and clauses 11.5.1.2 to 11.5.1.7 apply.

11.5 What happens if the Contract ends

11.5.1 Where the Buyer terminates the Contract under clause 10.9, 11.4, 7.8.2, 28.4.2, or Paragraph 8 of Part B Joint Controller Agreement of Annex 1 – Processing Personal Data (if used), all of the following apply:

11.5.1.1 the Supplier is responsible for the Buyer's reasonable costs of procuring replacement Deliverables for the rest of the term of the Contract;

11.5.1.2 the Buyer's payment obligations under the terminated Contract stop immediately;

11.5.1.3 accumulated rights of the Parties are not affected;

11.5.1.4 the Supplier must promptly delete or return the Government Data except where required to retain copies by Law;

11.5.1.5 the Supplier must promptly return any of the Buyer's property provided under the Contract;

11.5.1.6 the Supplier must, at no cost to the Buyer, give all reasonable assistance to the Buyer and any incoming supplier and co-operate fully in the handover and re-procurement; and

11.5.1.7 the Supplier must repay to the Buyer all the Charges that it has been paid in advance for Deliverables that it has not provided as at the date of termination or expiry.

11.5.2 The following clauses survive the expiry or termination of the Contract: 1, 4.2.9, 5, 7, 8.4, 10, 11.5, 12, 14, 15, 16, 18, 19, 32.2.2, 36 and 37 and any clauses which are expressly or by implication intended to continue.

11.6 When the Supplier can end the Contract and what happens when the contract ends (Buyer and Supplier termination)

11.6.1 The Supplier can issue a reminder notice if the Buyer does not pay an undisputed invoice on time. The Supplier can terminate the Contract if the Buyer fails to pay an undisputed invoiced sum due and worth over 10% of the total Contract value or £1,000, whichever is the lower, within 30 days of the date of the reminder notice.

11.6.2 Where the Buyer terminates the Contract in accordance with clause 11.3 or the Supplier terminates the Contract under clause 11.6 or 23.4:

11.6.2.1 the Buyer must promptly pay all outstanding charges incurred by the Supplier;

11.6.2.2 the Buyer must pay the Supplier reasonable committed and unavoidable losses as long as the Supplier provides a fully itemised and costed schedule with evidence - the maximum value of this payment is limited to the total sum payable to the Supplier if the Contract had not been terminated; and

11.6.2.3 clauses 11.5.1.2 to 11.5.1.7 apply.

11.6.3 The Supplier also has the right to terminate the Contract in accordance with Clauses 20.3 and 23.4.

11.7 Partially ending and suspending the Contract

11.7.1 Where the Buyer has the right to terminate the Contract it can terminate or suspend (for any period), all or part of it. If the Buyer suspends the Contract it can provide the Deliverables itself or buy them from a third party.

11.7.2 The Buyer can only partially terminate or suspend the Contract if the remaining parts of it can still be used to effectively deliver the intended purpose.

11.7.3 The Parties must agree (in accordance with clause 25) any necessary variation required by clause 11.7, but the Supplier may not either:

11.7.3.1 reject the variation; or

11.7.3.2 increase the Charges, except where the right to partial termination is under clause 11.3.

11.7.4 The Buyer can still use other rights available, or subsequently available to it if it acts on its rights under clause 11.7.

12 HOW MUCH YOU CAN BE HELD RESPONSIBLE FOR

12.1 Each Party's total aggregate liability under or in connection with the Contract (whether in tort, contract or otherwise) is no more than 125% of the Charges paid or payable to the Supplier.

12.2 No Party is liable to the other for:

12.2.1 any indirect losses; and/or

12.2.2 loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).

12.3 In spite of clause 12.1, neither Party limits or excludes any of the following:

12.3.1 its liability for death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors;

12.3.2 its liability for bribery or fraud or fraudulent misrepresentation by it or its employees; or

12.3.3 any liability that cannot be excluded or limited by Law.

12.4 In spite of clause 12.1, the Supplier does not limit or exclude its liability for any indemnity given under clauses 8.4, 9.3.2, 10.6, or 32.2.2.

12.5 In spite of clause 12.1, the Buyer does not limit or exclude its liability for any indemnity given under clause 8.5.

- 12.6 Notwithstanding clause 12.1, but subject to clauses 12.1 and 12.3, the Supplier's total aggregate liability under clause 14.7.5 shall not exceed the Data Protection Liability Cap.
- 12.7 Each Party must use all reasonable endeavours to mitigate any loss or damage which it suffers under or in connection with the Contract, including any indemnities.
- 12.8 If more than one Supplier is party to the Contract, each Supplier Party is fully responsible for both their own liabilities and the liabilities of the other Suppliers.

13 OBEYING THE LAW

- 13.1 The Supplier, in connection with provision of the Deliverables:
 - 13.1.1 is expected to meet and have its Subcontractors meet the standards set out in the Supplier Code of Conduct:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1163536/Supplier_Code_of_Conduct_v3.pdf) as such Code of Conduct may be updated from time to time, and such other sustainability requirements as set out in the Order Form. The Buyer also expects to meet this Code of Conduct;
 - 13.1.2 must comply with the provisions of the Official Secrets Acts 1911 to 1989 and section 182 of the Finance Act 1989;
 - 13.1.3 must support the Buyer in fulfilling its Public Sector Equality duty under section 149 of the Equality Act 2010;
 - 13.1.4 must comply with the model contract terms contained in (a) to (m) of Annex C of the guidance to [PPN 02/23 \(Tackling Modern Slavery in Government Supply Chains\)](https://www.gov.uk/government/publications/ppn-0223-tackling-modern-slavery-in-government-supply-chains),¹ as such clauses may be amended or updated from time to time; and
 - 13.1.5 meet the applicable Government Buying Standards applicable to Deliverables which can be found online at: <https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>, as updated from time to time.
- 13.2 The Supplier indemnifies the Buyer against any costs resulting from any default by the Supplier relating to any applicable Law to do with the Contract.
- 13.3 The Supplier must appoint a compliance officer who must be responsible for ensuring that the Supplier complies with Law, clause 13.1 and clauses 27 to 34.

14 DATA PROTECTION AND SECURITY

- 14.1 The Supplier must not remove any ownership or security notices in or relating to the Government Data.
- 14.2 The Supplier must make accessible back-ups of all Government Data, stored in an agreed off-site location and send the Buyer copies via secure encrypted method upon reasonable request.

¹ <https://www.gov.uk/government/publications/ppn-0223-tackling-modern-slavery-in-government-supply-chains>

- 14.3 The Supplier must ensure that any Supplier, Subcontractor, or Subprocessor system holding any Government Data, including back-up data, is a secure system that complies with the security requirements specified in the Order Form or otherwise in writing by the Buyer (where any such requirements have been provided).
- 14.4 If at any time the Supplier suspects or has reason to believe that the Government Data is corrupted, lost or sufficiently degraded, then the Supplier must immediately notify the Buyer and suggest remedial action.
- 14.5 If the Government Data is corrupted, lost or sufficiently degraded so as to be unusable the Buyer may either or both:
- 14.5.1 tell the Supplier to restore or get restored Government Data as soon as practical but no later than 5 Working Days from the date that the Buyer receives notice, or the Supplier finds out about the issue, whichever is earlier; and/or
 - 14.5.2 restore the Government Data itself or using a third party.
- 14.6 The Supplier must pay each Party's reasonable costs of complying with clause 14.5 unless the Buyer is at fault.
- 14.7 The Supplier:
- 14.7.1 must provide the Buyer with all Government Data in an agreed format (provided it is secure and readable) within 10 Working Days of a written request;
 - 14.7.2 must have documented processes to guarantee prompt availability of Government Data if the Supplier stops trading;
 - 14.7.3 must securely destroy all storage media that has held Government Data at the end of life of that media using Good Industry Practice, other than in relation to Government Data which is owned or licenced by the Supplier or in respect of which the Parties are Independent Controllers or Joint Controllers;
 - 14.7.4 securely erase all Government Data and any copies it holds when asked to do so by the Buyer unless required by Law to retain it, other than in relation to Government Data which is owned or licenced by the Supplier or in respect of which the Parties are Independent Controllers or Joint Controllers; and
 - 14.7.5 indemnifies the Buyer against any and all losses incurred if the Supplier breaches clause 14 or any Data Protection Legislation.
- 14.8 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 the Contract dictates the status of each party under the DPA 2018. A Party may act as:
- 14.8.1 "Controller" in respect of the other Party who is "Processor";
 - 14.8.2 "Processor" in respect of the other Party who is "Controller";
 - 14.8.3 "Joint Controller" with the other Party;
 - 14.8.4 "Independent Controller" of the Personal Data where the other Party is also "Controller",

in respect of certain Personal Data under the Contract and shall specify in Part A Authorised Processing Template of Annex 1 – Processing Personal Data which scenario they think shall apply in each situation.

14.9 Where one Party is Controller and the other Party its Processor

- 14.9.1 Where a Party is a Processor, the only processing that the Processor is authorised to do is listed in Part A Authorised Processing Template of Annex 1 – Processing Personal Data by the Controller and may not be determined by the Processor. The term “processing” and any associated terms are to be read in accordance with Article 4 of the UK GDPR and EU GDPR (as applicable).
- 14.9.2 The Processor must notify the Controller immediately if it thinks the Controller's instructions breach the Data Protection Legislation.
- 14.9.3 The Processor must give all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment before starting any processing, which may include, at the discretion of the Controller:
 - 14.9.3.1 a systematic description of the expected processing and its purpose;
 - 14.9.3.2 the necessity and proportionality of the processing operations;
 - 14.9.3.3 the risks to the rights and freedoms of Data Subjects; and
 - 14.9.3.4 the intended measures to address the risks, including safeguards, security measures and mechanisms to protect Personal Data.
- 14.9.4 The Processor must, in relation to any Personal Data processed under this Contract:
 - 14.9.4.1 process that Personal Data only in accordance with Part A Authorised Processing Template of Annex 1 – Processing Personal Data unless the Processor is required to do otherwise by Law. If lawful to notify the Controller, the Processor must promptly notify the Controller if the Processor is otherwise required to process Personal Data by Law before processing it.
 - 14.9.4.2 put in place appropriate Protective Measures to protect against a Data Loss Event which must be approved by the Controller.
 - 14.9.4.3 Ensure that:
 - (a) the Processor Personnel do not process Personal Data except in accordance with this Contract (and in particular Part A Authorised Processing Template of Annex 1 – Processing Personal Data);
 - (b) it uses best endeavours 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 clause 14;
 - (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 provide any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise allowed by the Contract; and
- (iv) have undergone adequate training in the use, care, protection and handling of Personal Data.
- (c) the Processor must not transfer Personal Data outside of the UK and/or the EEA unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:
- (d) the transfer is in accordance with Article 45 of the UK GDPR (or section 74A of DPA 2018) and/or the transfer is in accordance with Article 45 of the EU GDPR (where applicable); or
- (e) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with UK GDPR Article 46 or section 75 of the DPA 2018) and/or the transfer is in accordance with Article 46 of the EU GDPR (where applicable) as determined by the Controller which could include relevant parties entering into:
 - (i) where the transfer is subject to UK GDPR:
 - (A) the International Data Transfer Agreement (the “**IDTA**”), as published by the Information Commissioner's Office from time to time under section 119A(1) of the DPA 2018 as well as any additional measures determined by the Controller;
 - (B) the European Commission's Standard Contractual Clauses per decision 2021/914/EU or such updated version of such Standard Contractual Clauses as are published by the European Commission from time to time (“**EU SCCs**”), together with the UK International Data Transfer Agreement Addendum to the EU SCCs (the “**Addendum**”) as published by the Information Commissioner's Office from time to time; and/or
 - (ii) where the transfer is subject to EU GDPR, the EU SCCs, as well as any additional measures determined by the Controller being implemented by the importing party;
- (f) the Data Subject has enforceable rights and effective legal remedies when transferred;
- (g) the Processor meets its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred; and

- (h) the Processor complies with the Controller's reasonable prior instructions about the processing of the Personal Data.

- 14.9.5 The Processor must 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.
- 14.9.6 The Processor must notify the Controller immediately if it:
- 14.9.6.1 receives a Data Subject Access Request (or purported Data Subject Access Request);
 - 14.9.6.2 receives a request to rectify, block or erase any Personal Data;
 - 14.9.6.3 receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
 - 14.9.6.4 receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this Contract;
 - 14.9.6.5 receives a request from any third Party for disclosure of Personal Data where compliance with the request is required or claims to be required by Law; and
 - 14.9.6.6 becomes aware of a Data Loss Event.
- 14.9.7 Any requirement to notify under clause 14.9.6 includes the provision of further information to the Controller in stages as details become available.
- 14.9.8 The Processor must promptly provide the Controller with full assistance in relation to any Party's obligations under Data Protection Legislation and any complaint, communication or request made under clause 14.9.6. This includes giving the Controller:
- 14.9.8.1 full details and copies of the complaint, communication or request;
 - 14.9.8.2 reasonably requested assistance so that it can comply with a Data Subject Access Request within the relevant timescales in the Data Protection Legislation;
 - 14.9.8.3 any Personal Data it holds in relation to a Data Subject on request;
 - 14.9.8.4 assistance that it requests following any Data Loss Event; and
 - 14.9.8.5 assistance that it requests relating to a consultation with, or request from, the Information Commissioner's Office or any other regulatory authority.
- 14.9.9 The Processor must maintain full, accurate records and information to show it complies with this clause 14. This requirement does not apply where the Processor employs fewer than 250 staff, unless either the Controller determines that the processing:
- 14.9.9.1 is not occasional;

- 14.9.9.2 includes special categories of data as referred to in Article 9(1) of the UK GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the UK GDPR; or
 - 14.9.9.3 is likely to result in a risk to the rights and freedoms of Data Subjects.
- 14.9.10 The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.
- 14.9.11 Before allowing any Subprocessor to process any Personal Data, the Processor must:
 - 14.9.11.1 notify the Controller in writing of the intended Subprocessor and processing;
 - 14.9.11.2 obtain the written consent of the Controller;
 - 14.9.11.3 enter into a written contract with the Subprocessor so that this clause 14 applies to the Subprocessor; and
 - 14.9.11.4 provide the Controller with any information about the Subprocessor that the Controller reasonably requires.
- 14.9.12 The Processor remains fully liable for all acts or omissions of any Subprocessor.
- 14.9.13 The Parties agree to take account of any guidance issued by the Information Commissioner's Office or any other regulatory authority.

14.10 Joint Controllers of Personal Data

- 14.10.1 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 UK GDPR Article 26 based on the terms set out in Part B Joint Controller Agreement of Annex 1 – Processing Personal Data.

14.11 Independent Controllers of Personal Data

- 14.11.1 In the event that the Parties are Independent Controllers in respect of Personal Data under the Contract, the terms set out in Part C Independent Controllers (*Optional*) of Annex 1 – Processing Personal Data shall apply to this Contract.

15 WHAT YOU MUST KEEP CONFIDENTIAL

- 15.1 Each Party must:
 - 15.1.1 keep all Confidential Information it receives confidential and secure;
 - 15.1.2 not disclose, use or exploit the disclosing Party's Confidential Information without the disclosing Party's prior written consent, except for the purposes anticipated under the Contract; and
 - 15.1.3 immediately notify the disclosing Party if it suspects unauthorised access, copying, use or disclosure of the Confidential Information.
- 15.2 In spite of clause 15.1, a Party may disclose Confidential Information which it receives from the disclosing Party in any of the following instances:

- 15.2.1 where disclosure is required by applicable Law if the recipient Party notifies the disclosing Party of the full circumstances, the affected Confidential Information and extent of the disclosure;
 - 15.2.2 if the recipient Party already had the information without obligation of confidentiality before it was disclosed by the disclosing Party;
 - 15.2.3 if the information was given to it by a third party without obligation of confidentiality;
 - 15.2.4 if the information was in the public domain at the time of the disclosure;
 - 15.2.5 if the information was independently developed without access to the disclosing Party's Confidential Information;
 - 15.2.6 on a confidential basis, to its auditors or for the purposes of regulatory requirements;
 - 15.2.7 on a confidential basis, to its professional advisers on a need-to-know basis; and
 - 15.2.8 to the Serious Fraud Office where the recipient Party has reasonable grounds to believe that the disclosing Party is involved in activity that may be a criminal offence under the Bribery Act 2010.
- 15.3 The Supplier may disclose Confidential Information on a confidential basis to Supplier Staff on a need-to-know basis to allow the Supplier to meet its obligations under the Contract. The Supplier shall remain responsible at all times for compliance with the confidentiality obligations set out in this Contract by the persons to whom disclosure has been made.
- 15.4 The Buyer may disclose Confidential Information in any of the following cases:
- 15.4.1 on a confidential basis to the employees, agents, consultants and contractors of the Buyer;
 - 15.4.2 on a confidential basis to any Crown Body, any successor body to a Crown Body or any company that the Buyer transfers or proposes to transfer all or any part of its business to;
 - 15.4.3 if the Buyer (acting reasonably) considers disclosure necessary or appropriate to carry out its public functions;
 - 15.4.4 where requested by Parliament; and
 - 15.4.5 under clauses 5.7 and 16.
- 15.5 For the purposes of clauses 15.2 to 15.4 references to disclosure on a confidential basis means disclosure under a confidentiality agreement or arrangement including terms as strict as those required in clause 15.
- 15.6 Transparency Information, and Information which is exempt from disclosure by clause 16 is not Confidential Information.
- 15.7 The Supplier must not make any press announcement or publicise the Contract or any part of it in any way, without the prior written consent of the Buyer and must take all reasonable endeavours to ensure that Supplier Staff do not either.

16 WHEN YOU CAN SHARE INFORMATION

- 16.1 The Supplier must tell the Buyer within 48 hours if it receives a Request For Information.
- 16.2 In accordance with a reasonable timetable and in any event within 5 Working Days of a request from the Buyer, the Supplier must give the Buyer full co-operation and information needed so the Buyer can:
- 16.2.1 comply with any Request For Information
 - 16.2.2 if the Contract has a value over the relevant threshold in Part 2 of the Regulations, comply with any of its obligations in relation to publishing Transparency Information.
- 16.3 To the extent that it is allowed and practical to do so, the Buyer will use reasonable endeavours to notify the Supplier of a Request For Information and may talk to the Supplier to help it decide whether to publish information under clause 16. However, the extent, content and format of the disclosure is the Buyer's decision in its absolute discretion.

17 INSURANCE

- 17.1 The Supplier shall ensure it has adequate insurance cover for this Contract.

18 INVALID PARTS OF THE CONTRACT

- 18.1 If any provision or part-provision of this Contract is or becomes invalid, illegal or unenforceable for any reason, such provision or part-provision shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Contract. The provisions incorporated into the Contract are the entire agreement between the Parties. The Contract replaces all previous statements, or agreements whether written or oral. No other provisions apply.

19 OTHER PEOPLE'S RIGHTS IN THE CONTRACT

- 19.1 No third parties may use the Contracts (Rights of Third Parties) Act ("**CRTPA**") to enforce any term of the Contract unless stated (referring to CRTPA) in the Contract. This does not affect third party rights and remedies that exist independently from CRTPA.

20 CIRCUMSTANCES BEYOND YOUR CONTROL

- 20.1 Any Party affected by a Force Majeure Event is excused from performing its obligations under the Contract while the inability to perform continues, if it both:
- 20.1.1 provides written notice to the other Party; and
 - 20.1.2 uses all reasonable measures practical to reduce the impact of the Force Majeure Event.
- 20.2 Any failure or delay by the Supplier to perform its obligations under the Contract that is due to a failure or delay by an agent, Subcontractor and/or Supplier Staff will only be considered a Force Majeure Event if that third party is itself prevented from complying with an obligation to the Supplier due to a Force Majeure Event.

20.3 Either Party can partially or fully terminate the Contract if the provision of the Deliverables is materially affected by a Force Majeure Event which lasts for 90 days continuously and the consequences of termination in Clauses 11.5.1.2 to 11.5.1.7 shall apply.

20.4 Where a Party terminates under clause 20.3:

20.4.1 each Party must cover its own losses; and

20.4.2 clauses 11.5.1.2 to 11.5.1.7 apply.

21 RELATIONSHIPS CREATED BY THE CONTRACT

21.1 The Contract does not create a partnership, joint venture or employment relationship. The Supplier must represent themselves accordingly and ensure others do so.

22 GIVING UP CONTRACT RIGHTS

22.1 A partial or full waiver or relaxation of the terms of the Contract is only valid if it is stated to be a waiver in writing to the other Party.

23 TRANSFERRING RESPONSIBILITIES

23.1 The Supplier cannot assign, novate or in any other way dispose of the Contract or any part of it without the Buyer's written consent.

23.2 The Buyer can assign, novate or transfer its Contract or any part of it to any Crown Body, public or private sector body which performs the functions of the Buyer.

23.3 When the Buyer uses its rights under clause 23.2 the Supplier must enter into a novation agreement in the form that the Buyer specifies.

23.4 The Supplier can terminate the Contract novated under clause 23.2 to a private sector body that is experiencing an Insolvency Event.

23.5 The Supplier remains responsible for all acts and omissions of the Supplier Staff as if they were its own.

24 SUPPLY CHAIN

24.1 The Supplier cannot sub-contract the Contract or any part of it without the Buyer's prior written consent. The Supplier shall provide the Buyer with the name of any Subcontractor the Supplier proposes to engage for the purposes of the Contract. The decision of the Buyer to consent or not will not be unreasonably withheld or delayed. If the Buyer does not communicate a decision to the Supplier within 10 Working Days of the request for consent then its consent will be deemed to have been given. The Buyer may reasonably withhold its consent to the appointment of a Subcontractor if it considers that:

24.1.1 the appointment of a proposed Subcontractor may prejudice the provision of the Deliverables or may be contrary to its interests;

24.1.2 the proposed Subcontractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers; and/or

- 24.1.3 the proposed Subcontractor employs unfit persons.
- 24.2 If the Buyer asks the Supplier for details about Subcontractors, the Supplier must provide details of all such Subcontractors at all levels of the supply chain including:
 - 24.2.1 their name;
 - 24.2.2 the scope of their appointment; and
 - 24.2.3 the duration of their appointment.
- 24.3 The Supplier must exercise due skill and care when it selects and appoints Subcontractors.
- 24.4 For Sub-Contracts in the Supplier's supply chain entered into wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Contract:
 - 24.4.1 where such Sub-Contracts are entered into after the Start Date, the Supplier will ensure that they all contain provisions that; or
 - 24.4.2 where such Sub-Contracts are entered into before the Start Date, the Supplier will take all reasonable endeavours to ensure that they all contain provisions that:
 - 24.4.2.1 allow the Supplier to terminate the Sub-Contract if the Subcontractor fails to comply with its obligations in respect of environmental, social, equality or employment Law;
 - 24.4.2.2 require the Supplier to pay all Subcontractors in full, within 30 days of receiving a valid, undisputed invoice; and
 - 24.4.2.3 allow the Buyer to publish the details of the late payment or non-payment if this 30-day limit is exceeded.
- 24.5 At the Buyer's request, the Supplier must terminate any Sub-Contracts in any of the following events:
 - 24.5.1 there is a change of control within the meaning of Section 450 of the Corporation Tax Act 2010 of a Subcontractor which isn't pre-approved by the Buyer in writing;
 - 24.5.2 the acts or omissions of the Subcontractor have caused or materially contributed to a right of termination under Clause 11.4;
 - 24.5.3 a Subcontractor or its Affiliates embarrasses or brings into disrepute or diminishes the public trust in the Buyer;
 - 24.5.4 the Subcontractor fails to comply with its obligations in respect of environmental, social, equality or employment Law; and/or
 - 24.5.5 the Buyer has found grounds to exclude the Subcontractor in accordance with Regulation 57 of the Regulations.
- 24.6 The Supplier is responsible for all acts and omissions of its Subcontractors and those employed or engaged by them as if they were its own.

25 CHANGING THE CONTRACT

- 25.1 Either Party can request a variation to the Contract which is only effective if agreed in writing and signed by both Parties. The Buyer is not required to accept a variation request made by the Supplier.

26 HOW TO COMMUNICATE ABOUT THE CONTRACT

- 26.1 All notices under the Contract must be in writing and are considered effective on the Working Day of delivery as long as they're delivered before 5:00pm on a Working Day. Otherwise the notice is effective on the next Working Day. An email is effective at 9am on the first Working Day after sending unless an error message is received.
- 26.2 Notices to the Buyer or Supplier must be sent to their address or email address in the Order Form.
- 26.3 This clause does not apply to the service of legal proceedings or any documents in any legal action, arbitration or dispute resolution.

27 DEALING WITH CLAIMS

- 27.1 If a Beneficiary becomes aware of any Claim, then it must notify the Indemnifier as soon as reasonably practical.
- 27.2 at the Indemnifier's cost the Beneficiary must:
- 27.2.1 allow the Indemnifier to conduct all negotiations and proceedings to do with a Claim;
 - 27.2.2 give the Indemnifier reasonable assistance with the Claim if requested; and
 - 27.2.3 not make admissions about the Claim without the prior written consent of the Indemnifier which cannot be unreasonably withheld or delayed.
- 27.3 The Beneficiary must:
- 27.3.1 consider and defend the Claim diligently and in a way that does not damage the Beneficiary's reputation; and
 - 27.3.2 not settle or compromise any Claim without the Beneficiary's prior written consent which it must not unreasonably withhold or delay.

28 PREVENTING FRAUD, BRIBERY AND CORRUPTION

- 28.1 The Supplier shall not:
- 28.1.1 commit any criminal offence referred to in 57(1) and 57(2) of the Regulations; or
 - 28.1.2 offer, give, or agree to give anything, to any person (whether working for or engaged by the Buyer or any other public body) 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 Contract or any other public function or for showing or refraining from showing favour or disfavour to any person in relation to the Contract or any other public function.

- 28.2 The Supplier shall take all reasonable endeavours (including creating, maintaining and enforcing adequate policies, procedures and records), in accordance with Good Industry Practice, to prevent any matters referred to in clause 28.1 and any fraud by the Supplier Staff and the Supplier (including its shareholders, members and directors) in connection with the Contract and shall notify the Buyer immediately if it has reason to suspect that any such matters have occurred or is occurring or is likely to occur.
- 28.3 If the Supplier notifies the Buyer as required by clause 28.2, the Supplier must respond promptly to their further enquiries, co-operate with any investigation and allow the Audit of any books, records and relevant documentation.
- 28.4 If the Supplier or the Supplier Staff engages in conduct prohibited by clause 28.1 or commits fraud in relation to the Contract or any other contract with the Crown (including the Buyer) the Buyer may:
- 28.4.1 require the Supplier to remove any Supplier Staff from providing the Deliverables if their acts or omissions have caused the default; and
 - 28.4.2 immediately terminate the Contract and the consequences of termination in Clause 11.5.1 shall apply.

29 EQUALITY, DIVERSITY AND HUMAN RIGHTS

- 29.1 The Supplier must follow all applicable employment and equality Law when they perform their obligations under the Contract, including:
- 29.1.1 protections against discrimination on the grounds of race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise; and
 - 29.1.2 any other requirements and instructions which the Buyer reasonably imposes related to equality Law.
- 29.2 The Supplier must use all reasonable endeavours, and inform the Buyer of the steps taken, to prevent anything that is considered to be unlawful discrimination by any court or tribunal, or the Equality and Human Rights Commission (or any successor organisation) when working on the Contract.

30 HEALTH AND SAFETY

- 30.1 The Supplier must perform its obligations meeting the requirements of:
- 30.1.1 all applicable Law regarding health and safety; and
 - 30.1.2 the Buyer's current health and safety policy while at the Buyer's premises, as provided to the Supplier.
- 30.2 The Supplier and the Buyer must as soon as possible notify the other of any health and safety incidents or material hazards they're aware of at the Buyer premises that relate to the performance of the Contract.

31 ENVIRONMENT AND SUSTAINABILITY

31.1 In performing its obligations under the Contract, the Supplier shall, to the reasonable satisfaction of the Buyer:

- 31.1.1 meet, in all material respects, the requirements of all applicable Laws regarding the environment; and
- 31.1.2 comply with its obligations under the Buyer's current environmental policy, which the Buyer must provide, and make Supplier Staff aware of such policy.

32 TAX

32.1 The Supplier must not breach any tax or social security obligations and must enter into a binding agreement to pay any late contributions due, including where applicable, any interest or any fines. The Buyer cannot terminate the Contract where the Supplier has not paid a minor tax or social security contribution.

32.2 Where the Supplier or any Supplier Staff are liable to be taxed or to pay National Insurance contributions in the UK relating to payment received under the Contract, the Supplier must both:

- 32.2.1 comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, the Social Security Contributions and Benefits Act 1992 (including IR35) and National Insurance contributions; and
- 32.2.2 indemnify the Buyer against any Income Tax, National Insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made during or after the Term in connection with the provision of the Deliverables by the Supplier or any of the Supplier Staff.

32.3 If any of the Supplier Staff are Workers who receive payment relating to the Deliverables, then the Supplier must ensure that its contract with the Worker contains requirements that:

- 32.3.1 the Buyer may, at any time during the term of the Contract, request that the Worker provides information which demonstrates they comply with clause 32.2, or why those requirements do not apply, the Buyer can specify the information the Worker must provide and the deadline for responding;
- 32.3.2 the Worker's contract may be terminated at the Buyer's request if the Worker fails to provide the information requested by the Buyer within the time specified by the Buyer;
- 32.3.3 the Worker's contract may be terminated at the Buyer's request if the Worker provides information which the Buyer considers isn't good enough to demonstrate how it complies with clause 32.2 or confirms that the Worker is not complying with those requirements; and
- 32.3.4 the Buyer may supply any information they receive from the Worker to HMRC for revenue collection and management.

33 CONFLICT OF INTEREST

- 33.1 The Supplier must take action to ensure that neither the Supplier nor the Supplier Staff are placed in the position of an actual, potential or perceived Conflict of Interest.
- 33.2 The Supplier must promptly notify and provide details to the Buyer if an actual, potential or perceived Conflict of Interest happens or is expected to happen.
- 33.3 The Buyer will consider whether there are any appropriate measures that can be put in place to remedy an actual, perceived or potential Conflict of Interest. If, in the reasonable opinion of the Buyer, such measures do not or will not resolve an actual or potential conflict of interest, the Buyer may terminate the Contract immediately by giving notice in writing to the Supplier where there is or may be an actual or potential Conflict of Interest and Clauses 11.5.1.2 to 11.5.1.7 shall apply.

34 REPORTING A BREACH OF THE CONTRACT

- 34.1 As soon as it is aware of it the Supplier and Supplier Staff must report to the Buyer any actual or suspected breach of Law, clause 13.1, or clauses 27 to 33.
- 34.2 The Supplier must not retaliate against any of the Supplier Staff who in good faith reports a breach listed in clause 34.1 to the Buyer or a Prescribed Person.

35 FURTHER ASSURANCES

- 35.1 Each Party will, at the request and cost of the other Party, do all things which may be reasonably necessary to give effect to the meaning of this Contract.

36 RESOLVING DISPUTES

- 36.1 If there is a dispute between the Parties, their senior representatives who have authority to settle the dispute will, within 28 days of a written request from the other Party, meet in good faith to resolve the dispute by commercial negotiation.
- 36.2 If the dispute is not resolved at that meeting, the Parties can attempt to settle it by mediation using the Centre for Effective Dispute Resolution (“CEDR”) Model Mediation Procedure current at the time of the dispute. If the Parties cannot agree on a mediator, the mediator will be nominated by CEDR. If either Party does not wish to use, or continue to use mediation, or mediation does not resolve the dispute, the dispute must be resolved using clauses 36.3 to 36.5.
- 36.3 Unless the Buyer refers the dispute to arbitration using clause 36.4, the Parties irrevocably agree that the courts of England and Wales have exclusive jurisdiction. :
- 36.4 The Supplier agrees that the Buyer has the exclusive right to refer any dispute to be finally resolved by arbitration under the London Court of International Arbitration Rules current at the time of the dispute. There will be only one arbitrator. The seat or legal place of the arbitration will be London and the proceedings will be in English.

36.5 The Buyer has the right to refer a dispute to arbitration even if the Supplier has started or has attempted to start court proceedings under clause 36.3, unless the Buyer has agreed to the court proceedings or participated in them. Even if court proceedings have started, the Parties must do everything necessary to ensure that the court proceedings are stayed in favour of any arbitration proceedings if they are started under clause 36.4.

36.6 The Supplier cannot suspend the performance of the Contract during any dispute.

37 WHICH LAW APPLIES

37.1 This Contract and any issues or disputes arising out of, or connected to it, are governed by English law.

V. Annex 1 – Processing Personal Data**Part A Authorised Processing Template**

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

The contact details of the Controller's Data Protection Officer are: DESNZ Data Protection Officer, Department for Energy Security and Net Zero, 3-8 Whitehall Place, London.

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

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

Any such further instructions shall be incorporated into this Annex.

Description of authorised processing	Details
Identity of Controller for each category of Personal Data	<p>The Parties are Independent Controllers of Personal Data</p> <p>The Parties acknowledge that they are Independent Controllers for the purposes of the Data Protection Legislation in respect of:</p> <ul style="list-style-type: none"> • Business contact details of Supplier Personnel for which the Supplier is the Controller, • Business contact details of any directors, officers, employees, agents, consultants and contractors of Relevant Authority (excluding the Supplier Personnel) engaged in the performance of the Relevant Authority's duties under the Contract) for which the Relevant Authority is the Controller, • Other Personal Data may be managed and provided by one Party who is Controller to the other Party who will separately determine the nature and purposes of its Processing the Personal Data on receipt e.g. where (1) the Supplier has professional or regulatory obligations in respect of Personal Data received, (2) a standardised service is such that the Relevant Authority cannot dictate the way in which Personal Data is processed by the Supplier, or (3) where the Supplier comes to the transaction with Personal Data for which it is already Controller for use by the Relevant Authority.
Duration of the processing	<p>Processing will take place from Contract Commencement for the duration of the Call Off Contract plus a 6 year retention period. The Contract will end as per the date detailed in the Order Form but may be extended.</p>

Nature and purposes of the processing	The nature of processing will include the storage and use of names and business contact details of staff of both the Buyer and the Supplier as necessary to deliver the services and to undertake contract and performance management. The Order Form itself will include the names and business contact details of staff of both the Buyer and the Supplier involved in managing the Contract.
Type of Personal Data being processed	Names, business telephone numbers and email addresses, office location and position of staff of both the Buyer and the Supplier as necessary to deliver the services and to undertake contract and performance management. The Order Form itself will include the names and business contact details of staff of both the Buyer and the Supplier involved in managing the Contract
Categories of Data Subject	Staff of the Buyer and the Supplier, including where those employees are named within the Order Form itself or involved within contract management.
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	The Supplier will provide the Buyer with a complete and uncorrupted version of the Personal Data in electronic form (or such other format as reasonably required by the Authority) and erase from any computers, storage devices and storage media that are to be retained by the Supplier after the expiry of the Contract. The Supplier will certify to the Buyer that it has completed such deletion. Where Personal Data is contained within the Contract documentation, this will be retained in line with the Buyer's privacy notice found within the Invitation to Tender.

Part B Joint Controller Agreement

1 JOINT CONTROLLER STATUS AND ALLOCATION OF RESPONSIBILITIES

- 1.1 With respect to Personal Data for which the Parties are Joint Controllers, the Parties envisage that they shall each be a Controller in respect of that Personal Data in accordance with the terms of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data in replacement of Clauses 14.9 to 14.9.13 of the Conditions of this Contract. Accordingly, the Parties each undertake to comply with the applicable Data Protection Legislation in respect of their processing of such Personal Data as Controllers.
- 1.2 The Parties agree that the Supplier:
- 1.2.1 is the exclusive point of contact for Data Subjects and is responsible for using best endeavours to comply with the UK GDPR regarding the exercise by Data Subjects of their rights under the UK GDPR;

- 1.2.2 shall direct Data Subjects to its Data Protection Officer or suitable alternative in connection with the exercise of their rights as Data Subjects and for any enquiries concerning their Personal Data or privacy;
 - 1.2.3 is solely responsible for the Parties' compliance with all duties to provide information to Data Subjects under Articles 13 and 14 of the UK GDPR;
 - 1.2.4 is responsible for obtaining the informed consent of Data Subjects, in accordance with the UK GDPR, for processing in connection with the Deliverables where consent is the relevant legal basis for that processing; and
 - 1.2.5 shall make available to Data Subjects the essence of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data (and notify them of any changes to it) concerning the allocation of responsibilities as Joint Controller and its role as exclusive point of contact, the Parties having used their best endeavours to agree the terms of that essence. This must be outlined in the Supplier's privacy policy (which must be readily available by hyperlink or otherwise on all of its public facing services and marketing).
- 1.3 Notwithstanding the terms of paragraph 1.2 of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data, the Parties acknowledge that a Data Subject has the right to exercise their legal rights under the Data Protection Legislation as against the relevant Party as Controller.

2 UNDERTAKINGS OF BOTH PARTIES

- 2.1 The Supplier and the Buyer each undertake that they shall:
- 2.1.1 report to the other Party at the end of the contract on:
 - 2.1.1.1 the volume of Data Subject Access Requests (or purported Data Subject Access Requests) from Data Subjects (or third parties on their behalf);
 - 2.1.1.2 the volume of requests from Data Subjects (or third parties on their behalf) to rectify, block or erase any Personal Data;
 - 2.1.1.3 any other requests, complaints or communications from Data Subjects (or third parties on their behalf) relating to the other Party's obligations under applicable Data Protection Legislation;
 - 2.1.1.4 any communications from the Information Commissioner or any other regulatory authority in connection with Personal Data; and
 - 2.1.1.5 any requests from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law,
 - that it has received in relation to the subject matter of the Contract during that period;
 - 2.1.2 notify each other immediately if it receives any request, complaint or communication made as referred to in Paragraphs 2.1.1.1 to 2.1.1.5 of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data;

- 2.1.3 provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in Paragraphs 1.2 and 2.1.1.3 to 2.1.1.5 of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data; to enable the other Party to comply with the relevant timescales set out in the Data Protection Legislation;
- 2.1.4 not disclose or transfer the Personal Data to any third party unless necessary for the provision of the Deliverables and, for any disclosure or transfer of Personal Data to any third party, (save where such disclosure or transfer is specifically authorised under the Contract or is required by Law) that disclosure or transfer of Personal Data is otherwise considered to be lawful processing of that Personal Data in accordance with Article 6 of the UK GDPR or EU GDPR (as the context requires). For the avoidance of doubt, the third party to which Personal Data is transferred must be subject to equivalent obligations which are no less onerous than those set out in this of this of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data;
- 2.1.5 request from the Data Subject only the minimum information necessary to provide the Deliverables and treat such extracted information as Confidential Information;
- 2.1.6 ensure that at all times it has in place appropriate Protective Measures to guard against unauthorised or unlawful processing of the Personal Data and/or accidental loss, destruction or damage to the Personal Data and unauthorised or unlawful disclosure of or access to the Personal Data;
- 2.1.7 use best endeavours to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that Processor Personnel:
 - 2.1.7.1 are aware of and comply with their duties under this of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data; and those in respect of Confidential Information
 - 2.1.7.2 are informed of the confidential nature of the Personal Data, are subject to appropriate obligations of confidentiality and do not publish, disclose or divulge any of the Personal Data to any third party where that Party would not be permitted to do so;
 - 2.1.7.3 have undergone adequate training in the use, care, protection and handling of personal data as required by the applicable Data Protection Legislation;
- 2.1.8 ensure that it has the capability (whether technological or otherwise), to the extent required by Data Protection Legislation, to provide or correct or delete at the request of a Data Subject all the Personal Data relating to that Data Subject that the Supplier holds; and
- 2.1.9 ensure that it notifies the other Party as soon as it becomes aware of a Data Loss Event;
- 2.1.10 not transfer such Personal Data outside of the UK and/or the EEA unless the prior written consent of the non-transferring Party has been obtained and the following conditions are fulfilled:

- 2.1.10.1 the transfer is in accordance with Article 45 of the UK GDPR or DPA 2018 Section 74A and/or the transfer is in accordance with Article 45 of the EU GDPR (where applicable); or
- 2.1.10.2 the transferring Party has provided appropriate safeguards in relation to the transfer (whether in accordance with Article 46 of the UK GDPR or DPA 2018 Section 75 and/or the transfer is in accordance with Article 46 of the EU GDPR (where applicable)) as agreed with the non-transferring Party which could include the relevant parties entering into:
 - (a) Where the transfer is subject to the UK GDPR:
 - (i) The UK International Data Transfer Agreement (the “IDTA”), as published by the Information Commissioner’s office under section 119A(1) of the DPA 2018 from time to time; or
 - (ii) the European Commission's Standard Contractual Clauses per decision 2021/914/EU or such updated version of such Standard Contractual Clauses as are published by the European Commission from time to time (“EU SCCs”), together with the UK International Data Transfer Agreement Addendum to the EU SCCs (the “Addendum”) as published by the Information Commissioner's Office from time to time and/or;
 - (b) Where the transfer is subject to the EU GDPR, the EU SCCs, as well as any additional measures determined by the non-transferring Party being implemented by the importing Party;
- 2.1.10.3 the Data Subject has enforceable rights and effective legal remedies;
- 2.1.10.4 the transferring Party 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 non-transferring Party in meeting its obligations); and
- 2.1.10.5 the transferring Party complies with any reasonable instructions notified to it in advance by the non-transferring Party with respect to the processing of the Personal Data;
- 2.1.11 Each Joint Controller shall use its best endeavours to assist the other Controller to comply with any obligations under applicable Data Protection Legislation and shall not perform its obligations under this Annex in such a way as to cause the other Joint Controller to breach any of its obligations under applicable Data Protection Legislation to the extent it is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations.

3 DATA PROTECTION BREACH

- 3.1 Without prejudice to Paragraph 3.2 of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data, each Party shall notify the other Party promptly and without undue delay, and in any event within 48 hours, upon becoming aware of any Data Loss Event or circumstances that are likely to give rise to a Data Loss Event, providing the other Party and its advisors with:
- 3.1.1 sufficient information and in a timescale which allows the other Party to meet any obligations to report a Data Loss Event under the Data Protection Legislation;
 - 3.1.2 all reasonable assistance, including:
 - 3.1.2.1 co-operation with the other Party and the Information Commissioner investigating the Data Loss Event and its cause, containing and recovering the compromised Personal Data and compliance with the applicable guidance;
 - 3.1.2.2 co-operation with the other Party including using such best endeavours as are directed by the Buyer to assist in the investigation, mitigation and remediation of a Data Loss Event;
 - 3.1.2.3 co-ordination with the other Party regarding the management of public relations and public statements relating to the Data Loss Event; and/or
 - 3.1.2.4 providing the other Party and to the extent instructed by the other Party to do so, and/or the Information Commissioner investigating the Data Loss Event, with complete information relating to the Data Loss Event, including the information set out in Paragraph 3.2 of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data;.
- 3.2 Each Party shall use best endeavours to restore, re-constitute and/or reconstruct any Personal Data where it has lost, damaged, destroyed, altered or corrupted as a result of a Data Loss Event which is the fault of that Party as if it was that Party's own data at its own cost with all possible speed and shall provide the other Party with all reasonable assistance in respect of any such Data Loss Event, including providing the other Party, as soon as possible and within 48 hours of the Data Loss Event relating to the Data Loss Event, in particular:
- 3.2.1 the nature of the Data Loss Event;
 - 3.2.2 the nature of Personal Data affected;
 - 3.2.3 the categories and number of Data Subjects concerned;
 - 3.2.4 the name and contact details of the Party's Data Protection Officer or other relevant contact from whom more information may be obtained;
 - 3.2.5 measures taken or proposed to be taken to address the Data Loss Event; and
 - 3.2.6 a description of the likely consequences of the Data Loss Event.

4 AUDIT

- 4.1 The Supplier shall permit:

4.1.1 the Buyer, or a third-party auditor acting under the Buyer's direction, to conduct, at the Buyer's cost, data privacy and security audits, assessments and inspections concerning the Supplier's data security and privacy procedures relating to Personal Data, its compliance with this of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data; and the Data Protection Legislation; and/or

4.1.2 the Buyer, or a third-party auditor acting under the Buyer's direction, access to premises at which the Personal Data is accessible or at which it is able to inspect any relevant records, including the record maintained under Article 30 UK GDPR by the Supplier so far as relevant to the Contract, and procedures, including premises under the control of any third party appointed by the Supplier to assist in the provision of the Deliverables.

4.2 The Buyer may, in its sole discretion, require the Supplier to provide evidence of the Supplier's compliance with Paragraph 4.1 of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data in lieu of conducting such an audit, assessment or inspection.

5 IMPACT ASSESSMENTS

5.1 The Parties shall:

5.1.1 provide all reasonable assistance to each other to prepare any Data Protection Impact Assessment as may be required (including provision of detailed information and assessments in relation to processing operations, risks and measures); and

5.1.2 maintain full and complete records of all processing carried out in respect of the Personal Data in connection with the Contract, in accordance with the terms of Article 30 UK GDPR.

6 ICO GUIDANCE

6.1 The Parties agree to take account of any non-mandatory guidance issued by the Information Commissioner or any other regulatory authority. The Buyer may on not less than thirty (30) Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner and/or any relevant Crown Body.

7 LIABILITIES FOR DATA PROTECTION BREACH

7.1 If financial penalties are imposed by the Information Commissioner on either the Buyer or the Supplier for a Data Loss Event ("**Financial Penalties**") then the following shall occur:

- 7.1.1 if in the view of the Information Commissioner, the Buyer is responsible for the Data Loss Event, in that it is caused as a result of the actions or inaction of the Buyer, its employees, agents, contractors (other than the Supplier) or systems and procedures controlled by the Buyer, then the Buyer shall be responsible for the payment of such Financial Penalties. In this case, the Buyer will conduct an internal audit and engage at its reasonable cost when necessary, an independent third party to conduct an audit of any such Data Loss Event. The Supplier shall provide to the Buyer and its third party investigators and auditors, on request and at the Supplier's reasonable cost, full cooperation and access to conduct a thorough audit of such Data Loss Event;
- 7.1.2 if in the view of the Information Commissioner, the Supplier is responsible for the Data Loss Event, in that it is not a Data Loss Event that the Buyer is responsible for, then the Supplier shall be responsible for the payment of these Financial Penalties. The Supplier will provide to the Buyer and its auditors, on request and at the Supplier's sole cost, full cooperation and access to conduct a thorough audit of such Data Loss Event; or
- 7.1.3 if no view as to responsibility is expressed by the Information Commissioner, then the Buyer and the Supplier shall work together to investigate the relevant Data Loss Event and allocate responsibility for any Financial Penalties as outlined above, or by agreement to split any Financial Penalties equally if no responsibility for the Data Loss Event can be apportioned. In the event that the Parties do not agree such apportionment then such Dispute shall be referred to the Dispute Resolution Procedure set out in clause 36 of the Conditions (Resolving disputes).
- 7.2 If either the Buyer or the Supplier is the defendant in a legal claim brought before a court of competent jurisdiction ("**Court**") by a third party in respect of a Data Loss Event, then unless the Parties otherwise agree, the Party that is determined by the final decision of the court to be responsible for the Data Loss Event shall be liable for the losses arising from such Data Loss Event. Where both Parties are liable, the liability will be apportioned between the Parties in accordance with the decision of the Court.
- 7.3 In respect of any losses, cost claims or expenses incurred by either Party as a result of a Data Loss Event (the "**Claim Losses**"):
- 7.3.1 if the Buyer is responsible for the relevant Data Loss Event, then the Buyer shall be responsible for the Claim Losses;
- 7.3.2 if the Supplier is responsible for the relevant Data Loss Event, then the Supplier shall be responsible for the Claim Losses: and
- 7.3.3 if responsibility for the relevant Data Loss Event is unclear, then the Buyer and the Supplier shall be responsible for the Claim Losses equally.
- 7.4 Nothing in either Paragraph 7.2 or Paragraph 7.3 of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data shall preclude the Buyer and the Supplier reaching any other agreement, including by way of compromise with a third party complainant or claimant, as to the apportionment of financial responsibility for any Claim Losses as a result of a Data Loss Event, having regard to all the circumstances of the Data Loss Event and the legal and financial obligations of the Buyer.

8 TERMINATION

- 8.1 If the Supplier is in Material Breach under any of its obligations under this of this Part B Joint Controller Agreement of Annex 1 – Processing Personal Data;, the Buyer shall be entitled to terminate the Contract by issuing a termination notice to the Supplier in accordance with clause 11 of the Conditions (Ending the contract).

9 SUB-PROCESSING

- 9.1 In respect of any processing of Personal Data performed by a third party on behalf of a Party, that Party shall:
- 9.1.1 carry out adequate due diligence on such third party to ensure that it is capable of providing the level of protection for the Personal Data as is required by the Contract, and provide evidence of such due diligence to the other Party where reasonably requested; and
 - 9.1.2 ensure that a suitable agreement is in place with the third party as required under applicable Data Protection Legislation.

10 DATA RETENTION

- 10.1 The Parties agree to erase Personal Data from any computers, storage devices and storage media that are to be retained as soon as practicable after it has ceased to be necessary for them to retain such Personal Data under applicable Data Protection Legislation and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by the Party for statutory compliance purposes or as otherwise required by the Contract), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

Part C Independent Controllers (*Optional*)

Not Used.

VI. Annex 2 – Specification

1. INTRODUCTION

Summary:

This project aims to determine the UK's 2050 dependencies on China's clean energy supply chains through scenarios where the UK is more, the same or less reliant on China vs. today. This refers to the trade along the length of these supply chains, from critical minerals, refined materials, components and the final manufactured clean technology. For example, the raw lithium ore to refined lithium carbonate, to cathodes and the final battery used in an electric vehicle. This would help identify which sectors present the largest risks/opportunities for the UK, the implications for the global energy transition.

Context:

Ramping up deployment of clean energy technologies is vital for the global transition and to meet HMG's net zero targets, but clean energy supply chains are more complex and concentrated than fossil fuels. The clean energy transition means that the UK will become more dependent on clean energy supply chains, and so the resilience of these supply chains will become increasingly vital for the UK's future energy and economic security.

There is a proliferation of information about the nature of fossil fuel supply chains, but the complexity of clean energy supply chains presents unique challenges in sourcing reliable evidence. There is far less understanding about the nature of clean energy supply chains. Parts/sections of clean energy supply chains are also significantly more concentrated, in particular in China: for example, evidence from the International Energy Agency (IEA), highlights the significant concentration of the processing of critical minerals within China, and suggests how little these concentrations are set to change by 2030, as shown in the below figures:

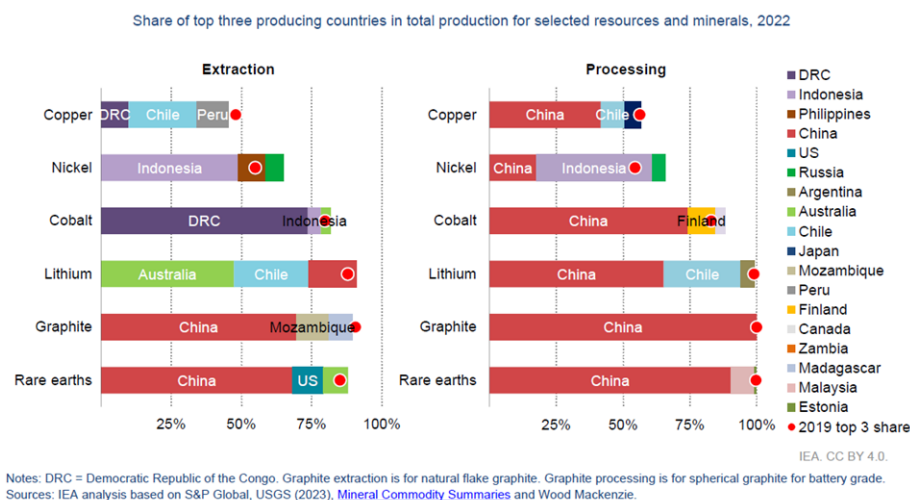


Figure 1 - IEA, [Critical Minerals Market Review 2023](#)

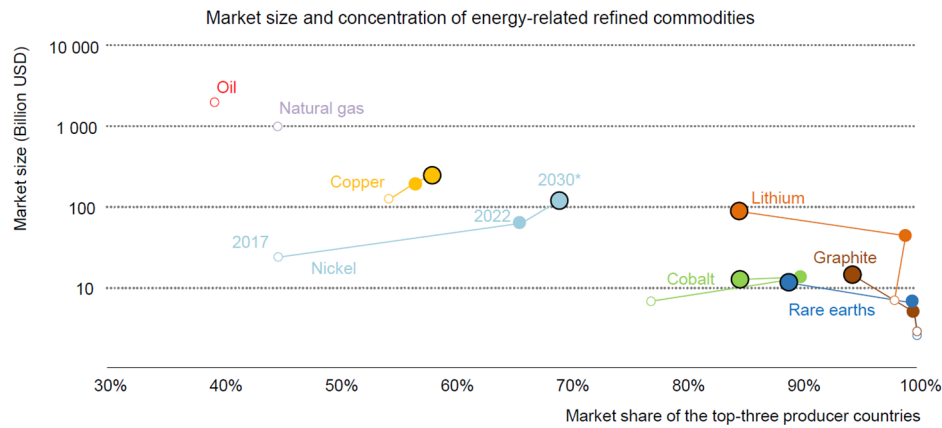


Figure 2 - IEA, [World Energy Outlook 2023](#), launch event slides

Looking further down the supply chain, another IEA report highlights the scale of concentration of clean energy manufacturing capacity within China (Figure 3). Despite these useful evidence sources, firm evidence on the extent of the UK's specific future dependency on China for clean energy supply chains (either direct or indirect) in 2050 remains unclear.

Figure 2.7 Regional shares of manufacturing capacity for selected mass-manufactured clean energy technologies and components, 2021

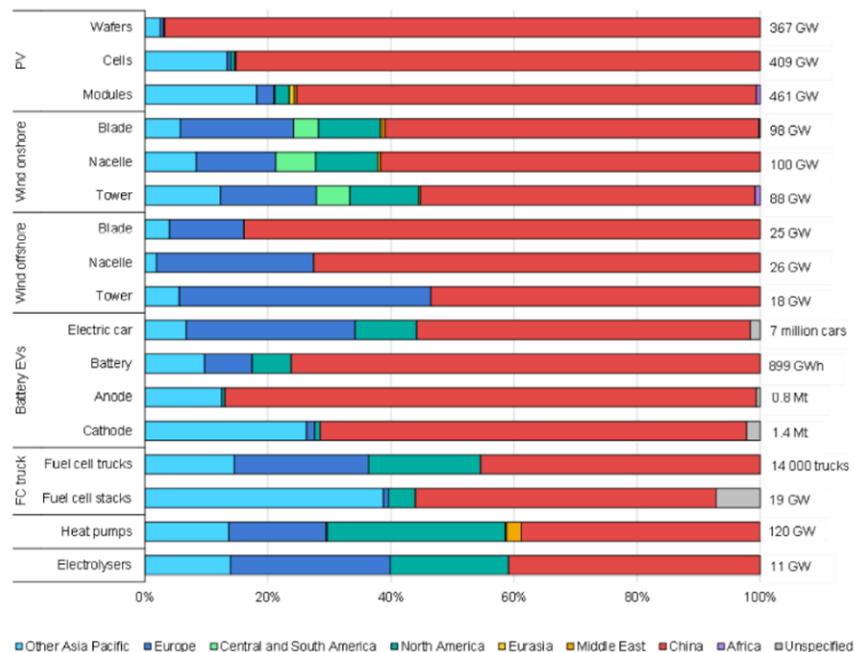


Figure 3 - IEA, [Energy Technology Perspectives 2023](#)

HMG aims to be able to assess: **(i) the extent of the UK's 2050 clean energy dependence on China; and (ii) the implications of different levels of dependence, including the potential impact of any future disruption to the UK's imports of clean energy goods from China.**

We know that – given the level of China's global control of these technologies and their supply chains – the high levels of supply concentration creates risks. These risks are discussed in the recent IEA reports mentioned above, but also in other sources, such as the International Renewable Energy Agency's (IRENA) Geopolitics of the Energy Transition: Critical Minerals report, which looks at six high level risks associated with market concentration such as: external shocks, resource nationalism, export restrictions, mineral cartels, political instability and market manipulation. To better understand existing evidence on this topic, we have already compiled an extensive literature review on UK dependencies on China through desk-based research. This work considered the following four questions by summarising key themes from a range of evidence sources and providing views on gaps and possible areas for future research. Below is a summary of key themes and conclusions from each section, which we have added in response to the helpful feedback received at our Early Market Engagement event. We would be happy to share this literature review with the successful supplier to help inform this project. The four questions and key conclusions were as follows:

1. What are current UK direct and indirect dependencies on Chinese clean energy supply chains?

Using data from the IEA, we found that clean energy technology supply chains are heavily concentrated in China, particularly the manufacturing and processing, and to a lesser extent, mining. However, the available evidence does not have the granularity needed to map directly onto UK clean energy supply chains. Further, it is not clear whether the UK's dependencies on China's clean technology are direct or indirect and how this varies by technology. Further analysis is needed to investigate the above gaps to reliably determine the scale and scope these dependencies.

2. What might future UK dependencies on clean technology supply chains be?

Using a range of sources from the IEA, BNEF, the Critical Minerals Intelligence Centre (CMIC), the Committee on Climate Change (CCC) and the Oxford Institute for Energy Studies (OIES). we found evidence to suggest there will be a substantial increase in the amount of clean energy technologies required for the energy transition in the UK and globally. For critical minerals, the potential for the UK to onshore mining capabilities is limited compared to the volume required. There will be an increasing need to rely on imported clean energy technologies, components and critical minerals, but it is unclear whether the UK will become increasingly, decreasingly or just as dependent on China in the future. Further research is needed to investigate the UK's future dependencies further, including on clean energy technologies more broadly (i.e. wider than critical minerals).

3. What are the opportunities/advantages of relying on Chinese clean technology imports?

Sources such as S&P and BNEF levelised costs data were used to conclude that China is acting in accordance with its comparative advantage and economies of scale has enabling cost reductions in clean energy technologies over the last decade. This could support the global energy transition at a lower cost than producing this technology elsewhere. This could also enable a faster energy transition if supply chains are not disrupted. However, it is unclear whether these economic benefits outweigh the potential risks should the supply chain be disrupted, and research is needed to best inform future policy.

4. What are the risks of or if Chinese clean technology imports become disrupted?

IEA evidence was used to set out some of the potential risks should Chinese clean technology supply chains be disrupted and the impacts on the UK. Highly concentrated supply chains may increase the impact of an exogenous shock, such as extreme weather. There are some risks of reliance on China's clean energy supply chains, both from intentional and unintentional actions. Further research to examine the size and scope of these risks under different scenarios and comparing them to the associated benefits would be useful.

Research in this space is increasingly relevant as severe disruption from any one of these risks could increase the cost of the UK's energy transition, or threaten the UK's energy security, net zero goals and COP26 commitments. These risks have encouraged some of the UK's partners, such as the US and EU, to look to reduce dependence on China for clean energy supply chains (for example the US' Inflation Reduction Act and the EU's Critical Raw Materials Act). Without clear understanding of the shape of future supply chains it is impossible to ascertain the potential implications of the UK's exposure to the clean energy supply chain concentration. It is therefore important to develop understanding of the UK's future reliance on China in clean energy supply chains to inform work on de-risking supply chains, ensuring energy security and our net zero transition as well as supporting the delivery of the Integrated Review Refresh, in line with the Protect, Align, Engage strands.

The headline ask is therefore to assess the nature of the UK's future direct and indirect dependence on China for at least four key clean energy technologies and their supply chains under various scenarios. The precise requirements and associated sub-questions are defined in the second section of this document. Consideration of the associated risks and opportunities to the UK by 2050 from reliance on China for clean energy supply chains under a number of illustrative scenarios would be a useful first step to inform exploring more quantitative modelling in a future potential contract.

This requirement supports HMG's approach to China, as set out in the [Integrated Review Refresh](#).

Highly concentrated clean energy supply chains pose a potential risk to the UK's energy security, wider economic growth and the global energy transition. China has enabled significant cost reductions in clean energy technologies, but highly concentrated supply chains increase the impact of any disruption.

Therefore, an accurate assessment of the extent of this future concentration is needed to accurately assess future risks.

This is also a priority area for our partners. The US Inflation Reduction Act explicitly targeted reducing the concentration of these supply chains in China, particularly around critical minerals, and other partners are considering similar measures. This informs multilateral work on energy security and provides a coordinated response to potential risks from supply chain concentration.

This requirement will inform our ongoing engagement with China on energy where we push for more transparent and secure supply chains. Energy is highlighted by the Foreign Secretary for deeper engagement with China, but this requires clear evidence. Better understanding our future dependence will inform how we can push on energy topics generally and the priority on trade engagement.

2. REQUIREMENTS

The key desired outcome is to develop understanding of the UK's future reliance on China in clean energy supply chains to inform work on de-risking supply chains, ensuring energy security and our net zero transition. This would involve illustrative scenarios with varying future reliance on imports from China (compared to today) for four clean energy technologies and their supply chains: solar photovoltaic (PV) panels, wind turbines and parts, batteries (EVs and energy storage), and nuclear. This would include raw materials, intermediate inputs, and final products. These scenarios should be presented with slides a detailed report (see section 3, Outputs).

Suppliers should use pre-existing, validated sources for estimates of future UK energy demand: For example, from DESNZ sources such as [here](#) and [here](#), [National Grid Future Energy Scenarios](#), IEA scenarios, or BNEF scenarios or a combination across sources if appropriate. IEA and BNEF sources may also be useful for identifying the future growth and diversification along clean energy supply chains. We welcome the use of other sources where relevant and made clear.

The objectives of the project are to:

- Understand the composition of future UK dependencies on China along four key clean energy technologies and their supply chains (solar PV, wind, batteries (for EV and energy storage) and nuclear).
- Illustrate the implications – including possible opportunities and risks (see below) - for the UK from direct and indirect dependencies on China for key clean energy technologies and their supply chains, under three scenarios:
 - Baseline – UK direct/indirect reliance on China for clean energy technologies and their supply chains remains stable out to 2050.
 - UK direct/indirect reliance on China for clean energy technologies and their supply chains increases out to 2050.
 - UK direct/indirect reliance on China for clean energy technologies and their supply chains decreases out to 2050.

The research should also address the following overarching questions:

1. What are the key benefits/opportunities (e.g. reduced cost) of direct/indirect dependence on China for each of the four clean energy technologies and their supply chains? For each clean energy

- technology and their supply chains, what is the scale of the benefits/opportunities? Benefits to be considered include economic such as reduced costs to the UK of achieving Net Zero.
2. What are the key risks of direct/indirect dependence on China for each of the four clean energy technologies and their supply chains? For each clean energy technology and their supply chains, what is the scale of the risks? Risks include a slower or more disrupted energy transition for the UK.
 3. How do future dependency risks and opportunities vary by:
 - a. Each stage along the supply chain? Are the nature of risks/opportunities different between raw materials, intermediate goods, and finished products? How and where?
 - b. Technology? Are the nature of risks/opportunities different across the four technologies identified? How and where?
 - c. The UK's direct or indirect exposure? Does the UK directly importing goods from China impact the nature of the benefits/risks compared to the UK importing goods from a country that has imported the goods from China? How and where? By direct, we mean directly importing either the raw materials, component parts or final manufactured clean technology from China. By indirect, we mean importing Chinese goods via a third party country.
 4. Where are the UK's own levels of dependence more or less important? Which is more important: the level of UK direct/indirect dependence, or China's global production share (regardless of the UK's own dependence)?
 5. How do the benefits/opportunities and risks weigh against each other? Where are they mutually exclusive? What are the key trade-offs (e.g. between resilience vs. cost)?

To achieve these objectives and answer the above overarching questions, the following sub-questions will need to be considered to enable a clear specification for work:

- How to define future expected levels of dependence on China to establish a baseline level of dependence?
- From this baseline scenario, how to define one scenario with greater than baseline dependence and one scenario with lesser dependence than the scenario? Should these be x% higher or lower vs. the baseline scenario?
- What other assumptions underpin these scenarios?
- What assumptions should be used to derive demand for clean technologies and critical minerals from future UK energy demand?
- What key risks are there to this project and how to mitigate?
- What sources of data are likely to be used? Is data limitation a risk?
- What types of benefits, risks and opportunities should be considered? Economic? Geopolitical? Social?
- How do you intend to measure/evaluate key risks and benefits? For example, what are the potential impacts on the cost and speed of the UK's clean energy transition?
- Are there any critical tipping points on dependencies in each supply chain? To inform our timescale for action to either mitigate risk or capture opportunity.

Additional research questions relating to specific technology areas may be explored if deemed fit by DESNZ and the Contractor. DESNZ would work with the Contractor to identify genuinely new and expanded lines of enquiry compared with those mentioned above. This would be agreed during a project inception meeting and would be in addition to the core questions detailed above. If these additional questions are deemed appropriate then the cost for answering them will require negotiation and managed through a contract variation, in line with Public Contract Regulations (2015) parameters. For avoidance of doubt, the published budget is for answering the overarching questions detailed above and not for any additional themes which may or may not be explored.

3. OUTPUTS

Key outputs would include a research report (Word document) and presentation (PowerPoint) outlining the results, along with supporting documents on the background and methodology. These would be shared with contacts across Government including the International Energy Board, National Security Secretariat (NSS), FCDO China department, cross-Whitehall Critical Minerals Resilience Board, DESNZ and wider network of contacts interested in this space. This will ensure VfM and impact xHMG. However, the intention is that this will not be made a public document.

This research report would provide:

1. An assessment of the composition and nature of 2050 UK dependencies on China along at least four key clean energy technologies and their supply chains (solar PV, wind, batteries (for EVs and storage) and nuclear).
2. Scenario development and analysis suggesting how future UK dependencies could change in the future and an assessment of the likelihood and cause of the various scenarios.
3. Assessment, for each scenario, of the nature, scale, and impact of costs and benefits associated with those future dependencies.
4. Potential trade-offs between risks and opportunities/benefits.

Sufficient analysis expertise is expected from the contractor. This can be, subject to their capacity to engage, supplemented by consultation with market participants either via the Contractor or facilitated by Authority officials where appropriate. For example, stakeholders in the mining, government or academic sectors, or datasets for which we already hold subscriptions. We expect the majority of project time to be desk-based research.

- Whilst we would expect the majority of the analysis to be qualitative assessments and scenario analysis, appropriate analysis and modelling tools may also include, but is not limited to: impact assessment, econometric and/or regression analysis, distribution, spatial, multivariate, predictive and/or simulation modelling, use of energy system modelling, with scenario analysis and identification of barriers and how cooperation or coordination could mitigate these. Any modelling work would need to comply with Aqua book best practice, with DESNZ receiving fully annotated modelling outputs, lists of assumptions etc.
- Data collection methods may include, but is not limited to: literature reviews, external data from secondary sources, case studies, in-depth interviews and focus group discussions. Any primary data collection through interviews or focus groups, will require DESNZ to sign-off on the sampling frame used to identify and select participants, on the topic guides used for the interviews.

This is not an exhaustive list, and we welcome other methodological approaches, as long as these are sufficiently justified in your response and will give the same quality outputs as these proposed methods. If a multidisciplinary approach to the research is taken, utilising a range of different methods and data sources, that the bidder should be clear in their response how they intend to triangulate this range of evidence, how they would deal with any contradictory evidence and their overall approach to synthesis to draw conclusions against our research questions.

Following feedback received following the Early Market Engagement event, we are proposing an initial kick-off meeting to define the questions and scope of research in greater detail. Regular bi-weekly catch-ups will

also be scheduled to enable updates on the work and flag any risks to delivery. Following an initial kick off meeting with the supplier, there will be a feasibility stage with a brief scoping report as an output, delivered 2-3 weeks after contract starts. This should set out the final project plan following further consultation between commissioned team and us, to include: final set of research questions, final set of assumptions and confirmation of datasets which will be used.

An interim report, in the form of a draft version of the final deliverable, summarising progress should be submitted after 6-8 weeks. This will help ensure content is in line with requirements and provide time for the DESNZ project team to give feedback. The final report should aim to be within 30 pages and include a 2-3 page executive summary and a concise conclusions section. We do not intend to publish the research. Annexes with additional information and data to be made available to DESNZ were appropriate, with the potential to be used for further internal analysis by DESNZ. We are also planning an HMG launch event for the final report, with ambition to present to senior stakeholders xHMG. We would expect the Supplier to be involved in presenting the report at this event, which should also be factored into your response.

4. TIMELINE AND DELIVERABLES

The table below sets out our key deliverables. Tenderers should detail how they propose to engage with the Buyer throughout.

Please assume for two rounds of comments on the final report. This is in addition to feedback and engagement on earlier drafts. As such, engagement throughout the process would be key to ensure that comments in the first issue of final deliverables are non-substantial/significant.

The Buyer will coordinate obtaining comments on drafts from internal stakeholders (project manager, analytical lead and Senior Responsible Officer (SRO)) and will endeavour to return these promptly and succinctly.

December 2023	Signing contract with successful supplier.
January 2024	Start of research project. Project team keeping in touch with service provider. Initial kick off meeting with supplier. Feasibility stage with a brief scoping report as output, delivered 2-3 weeks after contract starts, which sets out final project plan following further consultation between commissioned team and us, to include: final set of research questions, final set of assumptions and confirmation of datasets which will be used.
February 2024	Clear formal biweekly check-ins on the status of the key deliverables and highlight risks to delivery. Supplier to share interim report within 6-

	8 weeks from start of project to update on progress and highlight early key conclusions.
March 2024	<p>15 March: final draft of report, with opportunity for final review from the Buyer.</p> <p>29 March: final delivery of report, including potential launch event, with requirement for supplier presentation. Details of which will be discussed at the project inception meeting. This allows for one week for the buyer to review the final draft of the report, and one week for the supplier to finalise the documents following our final review.</p>

5. GOVERNANCE AND WORKING ARRANGEMENTS

The Supplier will be expected to identify one named point of contact through whom all enquiries can be filtered. Where requested, access to the Contractors' analysts, including but not necessarily limited to assisting with analytical queries and discussing analysis, should also be facilitated by the point of contact.

A project manager from the Buyer will be assigned to the project and will be the central point of contact for the Supplier. The project manager will be available to answer queries and support development regularly, at least at a frequency of once every two weeks. This can be assessed with the Supplier if greater frequency is required, for example towards the end of the project.

The project manager, the Analytical lead, and the SRO of the Buyer's team from which this funding comes, will be responsible for signing off the final outputs of the research project.

6. OWNERSHIP AND PUBLICATION

The Buyer will own the intellectual property of all deliverables. The output will be for internal HMG use only. The Supplier is not permitted to make reference to this project or publicise their engagement in this project as case study for marketing purposes or in response to tender opportunities. Its use in other projects or for teaching purposes is also not permitted.

7. QUALITY MANAGEMENT

The Supplier should have measures in place to ensure that the deliverables produced are of a high quality and free from error. Quality assurance measures should be factored into workplan timelines. The quality assurance plan must consider and include as minimum standards those measures detailed in the Government Social Research Code, The Green Book and The Magenta Book where appropriate.

8. SOCIAL VALUE

In addition to the aims, objectives and outcomes of the project, all UK Government contracts are required to contribute to wider social value as an additional benefit of the contract. Social value is a broad term used to describe the wider social, environmental and economic effects of an organisation's actions, and how they contribute to the long-term wellbeing of individuals, communities and societies. More detail can be found [here](#).

Social value is not just a policy requirement. Social value directly supports the mission of DESNZ and DESNZ International Net Zero. We require the selected Supplier to deliver social value in the delivery of this contract. Although the whole of the specification of this project could be considered as contributing to social value, this element is specifically focussed on how the evaluation contract is delivered by the Supplier and is not about the technical delivery methodology per se. Commitments on the inclusivity and benefits of the methodology should be included in the wider technical proposal.

Social value is not a specific costed activity but is an added co-benefit of delivery and an approach to delivery that is expected of all DESNZ suppliers.

9. SUB-CONTRACTORS

The Supplier must have measures in place to manage any sub-contractors and ensure that their selection is conducted in an open and transparent manner.

10. BUDGET

This section has been removed and placed in Annex 3.

11. PAYMENT

This section has been removed and placed in Annex 3.

12. PERFORMANCE

To monitor delivery throughout the process, the Buyer will produce timelines with ongoing working group discussions. The Buyer will also set clear formal check-ins on the status of the key deliverables, checked against a risk register. This will help identify risks of timeline slippage early, and act accordingly to mitigate.

Where the quality of deliverables are failing to meet the Buyer's expectations identified in both these requirements and the Tenderer's tender submission, the Buyer will work with the Supplier to identify measures to remedy these performance issues.

Where deliverables are taking significant rounds of comment from the Buyer prior to signing off as complete, the Buyer will only pay the amount given in the Contract and will not pay for additional drafting above and beyond expected. As such engagement with the Buyer during the drafting process to ensure that the final documents will be acceptable is essential.

Clarification Log v301123

Question Number	Date	Clarification / Question / Comment	Authority response
1	23/11	<p>Page 17 of the ITT document refers to the price to be submitted being inclusive of VAT and other taxes. It also states that the stated budget is £48,500 inclusive of VAT, but because this project will be described as a research project, it is not subject to VAT. On page 27, the ITT refers to the budget being £48,500 inclusive of VAT. See extracts from ITT below:</p> <p>p.17 All prices must be given in £ sterling. The Buyer will take the price submitted, including UK VAT and all other taxes, such as non UK VAT and use this to inform the Final evaluation. PQP Maximum Price Threshold: Tenderers are not to exceed the stated budget for this procurement of £48,500 (including VAT and non UK taxes). Tenders received which exceed this may be removed from the evaluation. We note that this project will be described as research services which are non VAT-able but a VAT assessment is required to be undertaken by Tenderers themselves.</p> <p>p.27 The Buyer has created a 'genuine pre-estimate' of costs for this service. The budget is up to £48,500 inclusive of VAT and non-UK taxes. Payment will be fixed price with payments to be made based on milestones.</p> <p>Could DESNZ please confirm whether VAT should be charged on this project, and if not confirm that the stated budget of £48,500 is in fact exclusive of VAT. Thank you</p>	<p>As per the ITT, we believe that this project does not attract VAT, but we request that assessment is undertaken by the Tenderers.</p> <p>As such the budget is £48,500 inclusive of any VAT which the Tenderer believes does apply and or other taxes which may apply also.</p>
2	29/11	Would it be possible to request and extension to the submission deadline for the tender responses which is currently set for the 8th of December.	Due to the project deadlines, we are unable to extend the deadline.
3	29/11	For the baseline / current dependency analysis, what level of granularity would the authority expect the research to be completed to? Would you be expecting a review of secondary (aggregated) import/export statistics between the UK and China, or would you be expecting primary research, including details of specific companies/suppliers that are	Given the budget and project deadlines, we would be expecting secondary data, rather than primary research.

		active in these supply chains between the UK and China?	
4		<p>Following up on Clarification Log v281123 published on 28 November, we have undertaken an internal review and have been advised that VAT is always payable on this type of work. Our tax office advised they struggle to understand why the supply of research services will be non-VATable as the exemption for research services was withdrawn in 2013. Perhaps we are missing something, so could DESNZ provide details of the basis of this assumption in the proposal document please? Please would you also clarify if the genuine estimate of costs of £48,500 was based on an inclusive VAT rate of zero, or whether it assumed an included VAT at 20%. Thank you.</p>	<p>Our apologies, this was a human error and indeed you are correct. This research project would incur/attract VAT. We apologise for any confusion, but note that the Tender document did ask Tenderers to make their own VAT assessments, so thank you.</p> <p>The estimate of costs created did include VAT at 20%.</p> <p>The budget remains £48,500 including all non UK taxes and inclusive of VAT.</p> <p>Despite this revision, we will not be will not be extending the deadline.</p>

VII. Annex 3 – Charges

The total price for this Contract is £44,820 including VAT.

Pricing elements of the Specification of Requirements**BUDGET**

The Buyer has created a 'genuine pre-estimate' of costs for this service. The budget is up to £48,500 inclusive of VAT and non-UK taxes. Payment will be fixed price with payments to be made based on milestones.

PAYMENT

Tenderers will provide an invoice schedule as part of their Commercial Proposal which should take into consideration the estimated budgets and timelines. The Buyer would anticipate two invoices during the project delivery, but alternatives may be proposed by the Supplier.

Price will be fixed based on the commercial offers made. Payments, in GBP, will be linked to delivery of deliverables. The indicative milestones and phasing of payments is to be as detailed in the Pricing Annex.

Any payment conditions applicable to the prime Supplier must also be replicated with sub-contractors.

The Buyer aims to pay all correctly submitted invoices as soon as possible with a target of 10 days from the date of receipt and within 30 days at the latest in line with standard terms and conditions of Contract. We expect that this will be replicated in any sub-contractor arrangements and the Buyer may request evidence that this is the case.

The Buyer reserves the right to amend the Contract to increase the scope of activities required of the Supplier, so long as any additional activities meet the objectives of the Contract. Contract amendments would be managed by a formal variation process and will be made with mutual agreement with the Supplier. This is only permitted if the proposals are compliant within the remit of Public Contracts Regulations 2015.

Supplier's submitted Pricing Schedule**Part A – Staff/project team charges**

Set up Costs – please specify	N/A
Expenses	N/A

<u>*Grade/level of staff</u>	<u>Daily rate (ex VAT)</u>	<u>No. days offered over course of contract</u>	<u>Tasks to be undertaken on this project</u>	<u>Total price offered per staff member</u>
[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]
Sub-total				£37,350

[*Suppliers should also include sub-contractors]

Part B – Non-staff/project team charges

<u>Item</u>	<u>No. of items</u>	<u>Price per item (ex VAT)</u>	<u>Total price per offered</u>
N/A		£	£
		£	£
		£	£
		£	£
		£	£
Sub-total			£

Part C – Sub-contractor charges

<u>Item</u>	<u>No. of items</u>	<u>Price per item (ex VAT)</u>	<u>Total price per offered</u>
N/A			
		£	£
		£	£
		£	£
		£	£
Sub-total			£

Part D – Full price offered

Sub-total (Part A + Part B + Part C)	£37,350
VAT	£7,470
TOTAL (Sub-total + VAT)	£44,820

Invoicing Schedule

Activity	Date of Invoice	Price (£)	VAT
Production of Interim Report	12 th February 2024	██████	██████
Delivery of final report	29 th March 2024	██████	██████
Total		37,350	7,470

VIII. Annex 4 – Supplier Tender

Technical proposal in response to tender prj_2637

UK future dependencies on China in clean energy supply chains

Question 1: Methodology

The Royal United Services Institute for Defence and Security Studies (RUSI) is pleased to present this proposal for consideration in response to tender prj_2637 from the Department for Energy Security and Net Zero: UK future dependencies on China in clean energy supply chains. RUSI proposes to lead the project with research support from the Oxford Institute for Energy Studies (OIES).

Overview

This study will develop a baseline and scenarios in order to establish the parameters for an assessment of the implications of UK future dependencies on China in clean energy supply chains. The baseline and scenarios will consider different levels of direct and indirect dependency on China over time and across the technologies, as well as in different international contexts. It will compare the risks and benefits of these dependencies across four scenarios, including a baseline scenario, as well as the costs and benefits of selected mitigations. The study will emphasise how developments in UK manufacturing and international supply chains, alongside the extent of UK access to these supply chains, might impact both dependency on China and risks from this dependency.

Scenarios would be assessed in terms of the UK's vulnerability to Chinese export controls, disruption to supply chains in China unrelated to the UK or allies, and cyber risks through the lenses of UK energy supply, economy, foreign policy and national security. This assessment would be largely qualitative with some limited quantitative elements.

The study will also undertake a cost-benefit analysis of selected mitigation policies being deployed internationally to reduce Chinese dependencies. This assessment will also be largely qualitative but may incorporate quantitative elements.

RUSI proposes to approach the research question in three stages.

1. Baseline

First, we will establish a baseline for critical minerals demand embodied in forecasts of final demand for goods in wind, solar, battery/EV, and nuclear supply chains in the UK. We will begin with a review of existing forecasts over the period to 2050 to establish the degree of agreement between scenarios, which will set the boundaries of the analysis. This will include a review of government targets, DESNZ, CCC, and National Grid scenarios, as well as third party analyses such as DNV UK Transition Outlook, bp Energy Outlook, Shell Energy Security Scenarios, the IEA, the Faraday Institution, IRENA etc.

Given the variety of views and assumptions used to derive them, the study will identify a set of assumptions from reports produced by institutions such as the IEA and the World Bank Group about the critical mineral intensity and constituent intermediate goods required for

production of these final goods to derive an implied domestic demand. The baseline will assume that there will be relatively steady improvements in material efficiency over time but will not consider major technological advances. The paper could, however, highlight a number of key areas of uncertainty that could alter the trajectories.

Dependence will focus on market concentration in China and UK's vulnerability, recognising the importance of the availability of alternative supply sources. The concentration of global output in China for each stage of production (RUSI and OIES together have recently completed this work for three of the four technologies here¹) would be given more weight than UK dependence on China, where data is limited. Available metrics include market concentration, diversity, and the ratio of UK demand relative to global supply. More sophisticated measures of market liquidity are not available due to lack of data.

The baseline will assume that the UK manufacturing base for solar PV, wind, EVs/batteries and nuclear will remain close to current levels unless stated government objectives exist, and meet a comparable proportion of domestic demand to 2050. EV exports will be assumed to follow a similar trajectory to current internal combustion engine vehicle exports in terms of volume. The baseline will also assume some success in developing alternative supply chains in the EU and the US, based predominantly on stated policies.

The baseline is intended to facilitate an analysis of the how dependence on China and resultant vulnerability may evolve over time and the most significant risks and opportunities. Analysis of the baseline will give a snapshot of current UK direct and indirect dependencies in the solar, wind, battery and nuclear supply chains. It will also provide a basis for insight into how dependencies might evolve depending on certain variables, and how these variables, in turn, impact costs and benefits.

Given the high degree of uncertainty over such a long period – particularly given the rate of technological, energy market, policy and geopolitical change likely over the decades to 2050 – detailed modelling and assessment of different economic and technological pathways would likely be misleading. The approach that RUSI is proposing will use existing forecasts and data assumptions, highlighting variables, pinch points and key factors that impact the UK's dependence.

2. Scenarios

Adaptations to the baseline scenario will be made to assess the sensitivity of risks and benefits to:

- UK manufacturing composition in the four supply chains (wind, solar, battery/EV, and nuclear).
 - o Scenario 1 will assume high levels of dependence on the import of final goods primarily to meet UK demand. This is likely to entail indirect dependence on China as well as less dependence overall given the growing variety of suppliers.
 - o Scenario 2 will consider high levels of domestic manufacturing, processing, and contractual control over some international mining, as well as higher levels of export-oriented manufacturing. This is likely to entail a higher degree of direct dependence and more dependence overall.

¹

[REDACTED]

- These scenarios will explore the interaction between domestic supply chains and the international environment in terms of their impact on the security of supply and economic costs and benefits for each technology. Analysis will consider both scenarios in light of different options for the evolution of China-independent supply chains and UK access to them.
- The objective of the scenario analysis will be:
 - To allow the nature of risks and opportunities to be explored based on dependencies at different stages of the supply chain and where exposure is direct or indirect.
 - To give an indication of the scale of the risks to each supply chain as a result of UK and international industrial and trade composition.
 - To discuss the circumstances within which risks from dependence on China are more or less significant.
- Nuclear-heavy electricity generation mixes compared with mixes more heavily dependent on solar, wind, and battery.
 - Current forecasts suggest that the baseline will be solar, wind and battery heavy. Scenario 3 will consider an energy mix with a larger nuclear power generation component, with baseline levels of manufacturing.
 - Scenario 3 will allow:
 - A comparison of the risks and benefits pertaining to dependence on solar, wind and battery supply chains against those of nuclear supply chains, including for fuel supply.
 - To compare the immediacy and scale of risks facing different electricity generation technologies.

Scenario	Variation from baseline	Risks considered	Other considerations	Opportunity analysis	Vulnerability analysis
1	High level of dependence on imported final goods	Export controls. Unrelated supply disruption. Cyber risks.	Development of alternative China-independent supply chains.	Cost benefits. Market diversification. Indirect dependency.	Economic costs. Energy security. Climate targets. Geopolitics. National security.
2	High levels of domestic manufacturing	Export controls. Unrelated supply disruption. Cyber risks.	Development of alternative China-independent supply chains.	Greater sovereign control. Economic benefits.	Economic costs. Energy security. Climate targets. Geopolitical risk. National security.
3	High levels of nuclear electricity generation	Fuel supply. Materials supply. Vendor. Financing.		Supply security. Competitiveness.	Geopolitical risk. Energy security. Climate targets.

Assessment of each scenario will be largely qualitative and will focus on both the extent of dependency and the degree of risk associated with the dependency in each scenario. In addition, it will consider different types of risk (commercial, military, environmental etc). Dependency is not the same as risk, with different supply chain and energy system configurations creating different vulnerabilities, so the assessment will go beyond market concentration to consider

vulnerability.² The assessment will also address the potential benefits of working with Chinese supply chains and weigh these against the risks. This may include a comparison with the estimated cost of selected mitigation policies. Some quantitative elements may be included where appropriate, such as when assessing the costs and benefits of increased nuclear power.

Scenarios and analysis will be based on a literature review and desktop study. Risk analysis will be informed by an expert workshop held online or in hybrid format at RUSI's London office looking at Chinese capabilities to impose and enforce different types of export control. The workshop will include experts on China's use of export controls in the RUSI network as well as representatives of potentially affected industries and would be open to government officials.

■ [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Question 2: Team structure, experience and technical expertise

Director:

██████████ has overall responsibility for the project as director ██████████
██████████ at RUSI, within which the Energy and Security programme currently sits. ██████████
will provide light touch, ad hoc advice to the team on a pro bono basis.

Team leads:

[REDACTED]

[REDACTED]

Researchers

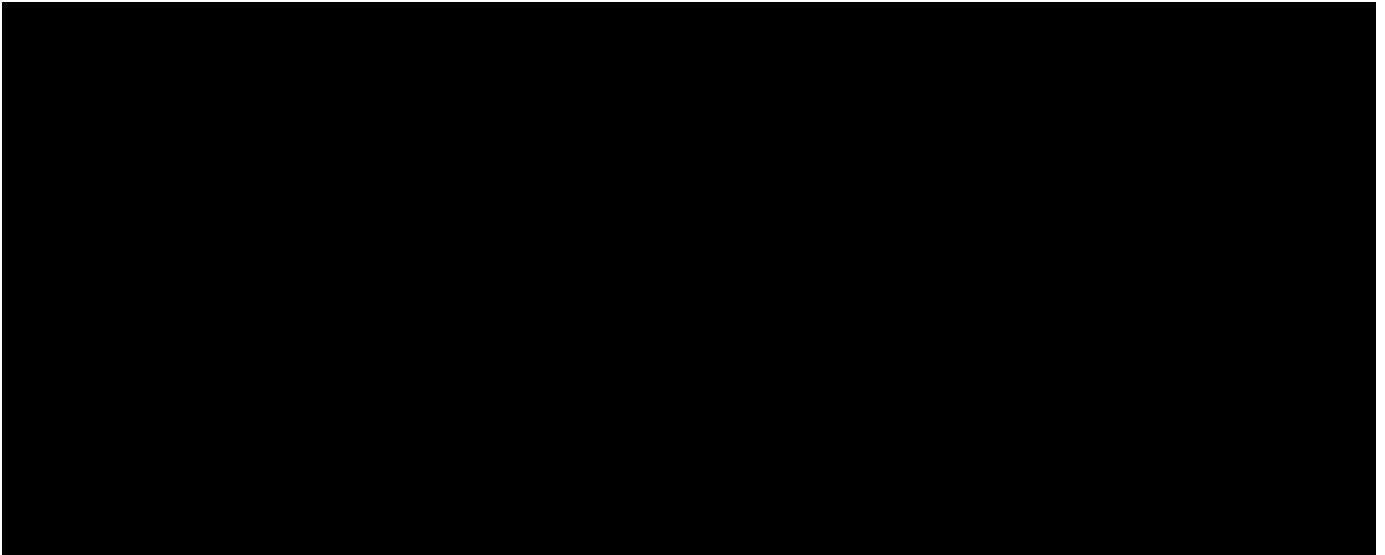
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Project support:

[REDACTED]

Project organogram



The team will draw upon research conducted in 2023 into risks to the UK from China's dominance of solar, wind, battery and electric grid supply chains, published in November 2023.

[REDACTED]
[REDACTED] Research for this paper provided the conceptual basis for the methodology set out previously, as well as an up-to-date of the data and literature available (and not available).

The team will also draw on previous OIES research into China's dominance in rare earths and the policy responses available to the West³. [REDACTED]
[REDACTED]

The environmental footprint of the project is expected to be low, with no travel required and relying exclusively on desktop research. The proposed workshop will be online eradicating the need of travel. RUSI is adept at hosting events online, including workshops, and has often found that these illicit even more insightful contributions from attendees than in person events.

All team members are permanently employed by their respective institutions and will not change over the duration of the project without clear justification.

[REDACTED]
[REDACTED]
[REDACTED]


















Question 3: Contract management

Aims: The project aims to produce a report and presentation which will deliver the knowledge and insights required to inform DESNZ and other government departments' work on dependencies on China and associated benefits and risks in solar, wind, battery/EV and nuclear supply chains to 2050. It will develop a baseline and scenarios setting the parameters for an assessment of the implications of different levels of direct and indirect dependency on China over time and across the technologies, as well as in different international contexts. It will compare the risks and benefits across scenarios as well as the costs and benefits of selected mitigations.

Outputs: RUSI will lead research and production to deliver a 30-page report to be delivered to DESNZ in Microsoft Word format and production and delivery of a PowerPoint presentation, supported by OIES.

Schedule

Date	Description	Work days
December 2023	- Contract signing	
Week 1 1-5 January	- Kick off meeting with DESNZ. - Internal kick off meeting with RUSI and OIES. - Literature review of UK demand forecasts to 2050 commences. - Literature review of current UK dependency on China begins.	<div></div> <div></div> <div></div> <div></div>
Week 2 8-12 January	- Literature reviews continue and data gathering begins. - Draft scoping report drawn up based on preliminary results of literature review. - List of experts drawn up for workshop, date set and RUSI events team notified.	<div></div> <div></div>
Week 3 15-19 January	- Scoping report finalised, subject to internal director review, and submitted to DESNZ. - Work begins producing baseline model, incorporating inputs from China dependency and UK demand research. - Invites sent for expert workshop.	<div></div> <div></div> <div></div> <div></div>
Week 4 22-26 January	- Scoping report feedback meeting. - Work continues on baseline model. - Literature review begins to select mitigation policies for cost-benefit analysis.	<div></div> <div></div> <div></div>
Week 5 29 January-2 February	- Baseline model finalised. - Work begins on scenarios 1 and 2. - Literature review finalised on mitigation policies. - Potential peer reviewers identified.	<div></div> <div></div>
Week 6 5-9 February	- Formal catch up meeting. - Work continues on scenarios 1 and 2. - Invitations sent to peer reviewers.	<div></div> <div></div>

Week 7 12-16 February	<ul style="list-style-type: none"> - Scenarios 1 and 2 completed. - Expert workshop takes place. - 	   
Week 8 19-23 February	<ul style="list-style-type: none"> - Formal catch up meeting - Work begins on scenario 3. - - Interim report written, finalised and submitted. 	  
Week 9 26 February-1 March	<ul style="list-style-type: none"> - Scenario 3 completed. - Report writing begins. 	  
Week 10 4-8 March	<ul style="list-style-type: none"> - Formal catch up meeting - First draft finalised. 	  
Week 11 11-15 March	<ul style="list-style-type: none"> - Draft sent for rapid peer review. - Draft sent sub-edited, finalised, and submitted to DESNZ. 	 
Week 12 18-22 March	<ul style="list-style-type: none"> - DESNZ review of draft 	
Week 13 25-29 March	<ul style="list-style-type: none"> - Feedback incorporated into report. Finalisation and submission of final report. 	 

Risk:

Due to the high-quality team of experts assembled to deliver this project and its short term nature, the risks are limited. However, we have identified the following as those that we will need to be mindful of.

Avoiding delay. The timeline for the project is very tight, particularly around scenario development. While RUSI and OIES are in a strong starting position given recent research, continuous monitoring and project management will remain integral to meeting the 15 March draft deadline with time for quality control processes such as peer review and sub-editing. This is the main risk for the project. Untimely illness, or other reasons for unforeseen absence, to members of the team also has the potential to make meeting the deadline difficult.

Data availability. While we are aware of data sources for Chinese market concentration in three of the four supply chains and of forecasts of UK demand, trade datasets on imports from China are more difficult to find and may be unavailable in many cases. The choice of a paper focused on qualitative elements more than quantitative scenarios aims to minimise the risk of both delays and limitations associated with data availability. The long time period and our methodology should allow us to work around this should it be the case.

IT failure/Cyber Incident/Data Loss: As with any project there are risks associated with data protection and IT security in relation to sensitive data. RUSI has Cyber Essentials Plus accreditation and all personal, financial and other data is stored securely and password protected according to stringent internal data protection policies. RUSI has a detailed Data Protection Policy, available on request, which will be strictly adhered to.

Question 4: Social value

RUSI runs the NextGen network which provides opportunities for young professionals to learn more about work at a think tank and gain access to RUSI experts. The network is free to join and membership is encouraged amongst young professionals from deprived areas.

RUSI NextGen's mission is to support an inclusive and engaging community of early career professionals interested in global affairs, no matter the sector they're in or level of expertise they possess. The RUSI NextGen initiative stems from RUSI's mission to help build a safer UK and a more secure, equitable and stable world. We want to create, inform and develop a vibrant community that looks towards the future, paving the way for the next generation of leaders and thinkers as they build their careers.

By running the NextGen network to grow a vibrant community of early career professionals interested in world affairs, supporting their growth and empowering the next generation of leaders and thinkers tackling our global challenges. This, in turn, opens RUSI's work to a much broader group of people and thus works toward Tackling Economic Inequality.,

Purpose:

- The RUSI NextGen community is where young professionals can come together, understand and engage in global issues, build a network and support one another through the early stages of their careers.
- The RUSI NextGen community is open to all and free to join. Our events, knowledge sharing, and networking opportunities are aimed at a large and diverse community from the UK and beyond.
- RUSI NextGen differs from other professional networks by catering to everyone with an interest in global affairs, no matter their background, and thus is actively aimed at tackling economic opportunity.
- Our NextGen offer builds on RUSI's work as a world-leading think tank and supports the charitable, not-for-profit objectives of the organisation.

The network will benefit indirectly from the project through the participation of energy and security experts in NextGen events and the attendance of NextGen members at events run by the Energy and Security Programme. As such the work of this project could inspire the next generation of researchers, which thanks to the NextGen network, would otherwise not have had the opportunity to engage with RUSI or the subject matter for reasons of economic inequality.

IX. Annex 5 – Optional IPR Clauses – Not Used.