**Title: The impact of Brexit on the milling wheat and malting barley supply chain**

**Ref:** CF/2017/32

**Aim:**

To examine the potential impact of Brexit on milling wheat and malting barley production and processing in the UK. To look beyond the farmgate and examine the impact of the four main variables, trade, policy, labour and the regulatory framework on patterns of production, processing and trade in processed products of milling wheat and malting barley.

This analysis will drill into issues relating to malting barley and milling wheat. Our analysis to date has focused on commodity products and at the farm level – and we want to get beyond this to look at issues for the wider supply chain. The work would mainly involve secondary research and analysis – but the successful applicant will have access to a range of ‘experts’ within AHDB. It is expected that the views and opinions of trade bodies and companies in the industry would also be included in the final report.

**Background**

The Agriculture and Horticulture Development Board (AHDB) is a statutory levy board, funded by farmers, growers and others in the supply chain and managed as an independent organisation (independent of both commercial industry and of Government).

Our purpose is to inspire our farmers, growers and industry to succeed in a rapidly changing world.

Our vision is for a world-class food and farming industry inspired by, and competing with the best.

One important aspect of our work is to assess and inform both levy payers and policy makers of the potential impact of policy changes, by providing high quality and impartial evidence. Within the context of the UK’s decision to exit the European Union, we wish to identify how farm businesses can be best prepared for the policy and trade changes that may result.

**1. Introduction**

This document is a briefing for researchers interested in analysing the potential impact of Brexit on the production of milling wheat and malting barley, and on the wider supply chain.

Submissions for the provision of this project should be based on the information contained within this document and sent to AHDB in the format outlined in section 4.

**2. Research Background Aims**

Our analysis to date had focussed on the potential impact of Brexit at farmgate level. AHDB wish to extend this to include the perspective of processors and the wider supply chain.

This analysis will provide an impact analysis that will quantify as far as possible, assess and analyse the main factors affecting patterns of production, practical planting decisions and security of supply for processing milling wheat and malting barley in the UK post-Brexit. The analysis must go beyond the farmgate to look for instance at flour production and trade in processed products, as well as the location of processing capacity.

The impact analysis must include:

1. A review of current literature
2. An analysis of current patterns of production, processing and trade
3. An impact analysis focussed on the specific impact for milling wheat and malting barley of Brexit

A summary and aims of the research projects are detailed below. AHDB have undertaken analysis to assess the impact by sector of likely post Brexit scenarios and these will be provided to the successful applicant.

**Brexit**

The decision to leave the EU is a game changer for UK farming and growing. The Brexit vote opens four key areas of question for our agricultural and horticultural industries around trade, regulation, labour and support. Huge uncertainty hangs over these while the UK negotiates its departure from the EU.

AHDB wish to explore the potential impact of Brexit on specific outputs from the cereal sector, milling wheat and malting barley.

In the absence of clear outcomes of the Brexit negotiations, it is envisaged that researchers will take our Brexit scenario work as a basis for this piece of work, and apply our scenarios to their analysis. This work can be found here:

<https://ahdb.org.uk/brexit/documents/Quantitative_Modelling_For_Post_Brexit_Scenarios-12oct17.pdf>

Our focus remains on equipping our levy payers and the wider industry with the tools and information necessary to become more competitive and sustainable regardless of the post – Brexit scenario that they face.

Our current priority is to ensure that we help levy payers prepare by providing detailed information regarding the potential impact on the cereals sector. To this end we wish to examine:

1. What will be the major factors affecting milling wheat and malting barley patterns of production?
2. What will be the short and medium term effect on the wider supply chain for milling wheat and malting barley from Brexit?
3. How will the major variables such as trade, agricultural policy, availability of labour and the regulatory framework effect the production and processing of milling wheat and malting barley?

The aims of the research are: -

* To identify the key factors influencing levels of production post-Brexit
* To identify the potential impact on post-farmgate trade in malting barley and milling wheat
* To identify the potential impact on the location of processing capacity for milling wheat and malting barley
* To identify the impact on trade in processed milling wheat (flour) and malting barley.

**3 Service Requirement**

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| **Research Objectives** | To examine the potential impact of Brexit on milling wheat and malting barley production beyond the farmgate to include the wider supply chain in the UK. |
| **Requirements** | The proposal must clearly demonstrate that the research objectives listed above will be met.  The methodologies used to achieve the research objectives must clearly be identified **in the** **proposal** with **clear demonstration** of how the approach achieves the objectives. It is expected that the research will be predominantly based on the use of existing data rather than primary research.   1. A review of current literature on this topic is required. AHDB will give full access to all published work and the teams involved in their production. A broader review of other published work is also required. 2. It is envisaged that the report will include an analysis of secondary data as well as views and opinions from industry experts, trade bodies and companies in the industry.   The full and comprehensive cost breakdown must be provided.  Any other costs i.e. Travel/ expenses/ subsistence) that will be incurred by the projects must be included in the proposal and detailed in the breakdown.  The proposal must also include the following details for each of the projects :   * Name and full contact details of the project manager that would be leading each project. * Examples of similar projects undertaken or published work * CV of project managers assigned to each of the projects - . * Key targets and dates of achievement (timetable). * A total cost per sector * A breakdown of costs for all stages of the project excluding VAT * A breakdown of the number of days and day rates for each stage of the project * Details and experience of any 3rd party agencies that will be used to deliver the research project. Cleary indicating the stage in which they would be involved   Please note - A costing table with a final lump cost must be provided for the research project so they can be judged independently.  Agencies must clearly mark their recommended route to achieve objectives and final lump cost in delivering this. Variations in sample options with linked costs can be provided but it is the cost of agencies recommended route that proposals will be evaluated in section 4.  **Timing Requirements:**  See section 5 |
| **Additional Information** | * Research bodies are invited to present their views on best methodologies in order to achieve the objectives of the research. |
| **Budget** | * Up to £15K |
| **Deliverables** | * A written report of final results with detailed narrative and analysis is required by 31st March 2018 * If tenderers are unable to meet this deadline, an alternative timeline can be proposed, together with reasons outlining the alternative approach * A presentation on the findings of the report at AHDB Head Office (Stoneleigh Park) is required |

**4 Structure of submissions and evaluation methodology**

Evaluation of the tender will be undertaken in accordance with the following criteria and weightings:

**70% of the evaluation weighting will be based on the quality of the proposal.** This will entail:

* Demonstrate a clear understanding of the brief and research objectives in the proposal. (5%)
* Outline a clear approach and highlight any proposed techniques to be used in the methodology and/or analysis used – clearly showing how they are relevant and link to achieving the research objectives. Demonstrating how a process for quality control will be followed (15%)
* Provision of detailed project plan including a timeline with identification of any risks/key dates. Where possible identifying ability to delivery project ahead of minimum time (10%)
* Relevant experience of allocated project manager (40%) Please provide a CV for the project manager and other staff working on the project
* Meeting the 31st August timeline – mandatory

***Please note: a minimum score of 40 out of 60 is required in this section to be appointed by AHDB on this project.***

**30% of the evaluation weighting will be based on the cost of the proposal.**

* To enable comparability of proposals, provide a full lump sum cost for each stage of the project with a breakdown of costs. Please provide detail of the number of days each member of staff will spend on the project with an associated day rate.

**Proposals should be submitted and received by 9th February 2018.**  Please send your proposals to the following addresses:

[**Sarah.Baker@ahdb.org.uk**](mailto:Sarah.Baker@ahdb.org.uk) **and**

**David.Swales@ahdb.org.uk**

**Title for email submission: The impact of Brexit on the milling wheat and malting barley supply chain**

AHDB will review quotations following the closing date, and may consult with interested parties as part of the selection process. AHDB reserve the right to seek clarification of quotations and to decline all quotations should the requirements not be met. AHDB reserves the right to shortlist to support due diligence for final award of contract.

5 Timetable

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| |  |  | | --- | --- | | Brief circulated | 22/01/18 | | Deadline for receipt of responses (12.00 noon) | 09/02/18 | | Communication of intended award and contract commencement | 14/02/18 | | Initial briefing meeting at AHDB offices | w/c 19/02/18 | | Final results and face to face results presented by | 13/04/2018 | |

Please note that these timescales are approximate and may change.