**Title: Managing risk in the red meat sector**

**Ref: CF/2018/47**

**Aim:** To build resilience in red meat supply chain

**Background**

The Agriculture and Horticulture Development Board (AHDB), **Hybu Cig Cymru** – Meat Promotion Wales (HCC) and Quality Meat Scotland (QMS) are the statutory levy boards with responsibility for beef and sheep within England, Wales and Scotland respectively. While each board works to target specific challenges and opportunities in building a sustainable and profitable red meat sector in each country, they come together to address pre-competitive challenges facing the whole of GB.

**1. Introduction**

This document is a briefing for researchers interested in developing tools and options that could mitigate risk within the GB red meat supply chain.

Volatile prices, for both inputs and outputs, has been increasing over the years and, regardless of Brexit, this is expected to stay/increase.

One of the levy boards’ key role is to address market failure and currently, in the industry, this involves ways to mitigate risk.

This piece of work is intended to provide insight into what tools/options are currently available in GB and rest of the world to provide solutions for GB supply chain to use.

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**

To build resilience in the red meat supply chain.

Specifically, the work will:

* Assess what risk management tools/options are currently available in GB, across all agricultural sectors, and whether they are/are not suitable for red meat. If not suitable then are they adaptable.
* Examine risk management options within the supply chain. e.g. dedicated supply chains, cost of production contracts, etc.
* Examine options such as futures, insurance, etc. Understanding what data would be needed, how much they would cost (both to set up/supply chain to use) and technology required to make these options function correctly.
* Understanding risk management tools/options across the world, assessing the level of government intervention (funding, legislation, etc.) they require. Providing an assessment as to what would/would not work in GB, with industry feedback.
* Assess what is possible under WTO rules (blue, green and amber boxes).

A summary and aims of the research projects are detailed below.

**3 Service Requirement**

|  |  |
| --- | --- |
| **Research Objectives** | To build resilience in red meat supply chain |
| **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.   * Review current literature on this topic is required. * Deliver a report that will * Understanding current tools/options available in GB and the rest of the world, looking at other sectors as well. * Assess how viable these tools/options (or parts of them) are for GB red meat supply chain. * Share assessments of what could work in GB with farmers/farmer representatives, processors, retailers and government to get pros and cons of these options. * Provide understanding to WTO rules.   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 total 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 £30K |
| **Deliverables** | A written report of final results with detailed narrative and analysis is required by 31st January 2019.  If tenderers are unable to meet this deadline, an alternative timeline can be proposed, together with reasons outlining the alternative approach. |

**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 team (40%) Please provide a CV for the project manager and other staff working on the project
* Meeting the 31st January 2019 timeline – mandatory

***Please note: a minimum score of 40 out of 60 is required in this section to be appointed by the levy boards 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 5th November 2018.**  Please send your proposals to the following addresses:

[**luke.crossman@ahdb.org.uk**](mailto:luke.crossman@ahdb.org.uk)

**Title for email submission: Understanding the Livestock sector’s environmental impact and sustainability credentials**

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

5 Timetable

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| |  |  | | --- | --- | | Brief circulated | 22nd Oct 2018 | | Deadline for receipt of responses (TIME) | 5th Nov 2018 | | Communication of intended award and contract commencement | 9th Nov 2018 | | Initial briefing meeting at AHDB offices | TBC | | Final results and face to face results presented by | 31st Jan 2019 | |

Please note that these timescales are approximate and may change.