

CONTRACT FOR THE PROVISION OF GOODS AND/OR SERVICES

Agriculture and Horticulture Development Board

and

Harper Adams University

**Contract for the Supply of
Quantitative modelling for post EU Exit trade deals (UK
Agricultural industry)**

Ref: 2020-464

AHDB
Stoneleigh Park
Kenilworth
Warwickshire
CV8 2TL

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E info@ahdb.org.uk
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FORM OF AGREEMENT

THIS CONTRACT IS MADE ON 19TH NOVEMBER, 2020

BETWEEN

Agriculture and Horticulture Development Board, of Stoneleigh Park, Kenilworth, Warwickshire CV8 2TL ('**AHDB**')

AND

Harper Adams University, of Edgmond, Newport, Shropshire, TF10 8NB ('**the Supplier**')

AHDB and the Supplier are the Parties to the Contract.

WHEREAS

- A. AHDB wishes to acquire general description of goods or services (see Schedule A).
- B. The Supplier is willing to supply the Goods and/or Services in accordance with this Contract.

IT IS HEREBY AGREED

1. The Supplier agrees to supply the Goods and/or Services in accordance with this Contract, including Schedule A and the Appendix.
- 1.1. Unless otherwise specified, the Supplier shall supply the Goods and/or Services to the Principal Office.
2. Subject to the Supplier's compliance with this Contract including any milestones, AHDB agrees to make payments in accordance with Schedule B.
3. The Parties agree to comply with AHDB's Terms and Conditions for the Purchase of Goods and Services version 2018A ('AHDB Terms' - see Annex), which are incorporated into this Contract.
4. This Contract consists of:
 - this Form of Agreement;
 - Schedule A (Specification, Milestones, page 6), including the Appendix (Specification Details, page 44);
 - Schedule B (Payment and Invoicing, page 7);
 - Schedule C (Contacts, page 8);
 - Annex (AHDB Terms, page 9); and
 - Annex 2 (Data Processing and Protection of Personal Data, page 36,

each of which together with any documents specified therein including the Appendix is incorporated into and forms part of the Contract.

- 4.1. In the case of any conflict or inconsistency, documents shall take precedence in the order in which they appear in Clause 4 above.
- 4.2. Subject to public procurement law, this Contract including the Specification may be amended. Any amendment shall be agreed by the Parties in Writing and shall have no effect unless it has been so agreed.
- 4.3. This Contract and any amendment to it may be executed in counterpart and by the Parties on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.
5. The Contract shall commence or be deemed to have commenced on 27th November, 2020 ('Commencement Date').
 - 5.1. The Supplier shall complete its performance of the Contract not later than 26th November, 2023 ('Completion Date').
 - 5.2. Any date in this Contract may be amended in advance by agreement in Writing and any dates that are consequently to be amended shall be similarly agreed.
 - 5.2.1. Any amendment to this Contract shall be compliant with the public procurement principles underlying the Public Contracts Regulations 2015.
 - 5.3. Notwithstanding any act of termination or the achievement of the Completion Date, the relevant provisions of this Contract shall remain in effect insofar as is necessary to ensure the performance of all obligations and the satisfaction of all liabilities and to enable the exercise of all rights under the Contract in each case as such shall exist at the time of such act or the Completion Date as appropriate.
6. Subject to Clause 6.4:
 - 6.1. The maximum total liability of each Party under this Contract shall be three times the amount set out in relation to that Party in Clause 6.2.
 - 6.2. In respect of any claim or series of connected claims arising out of the same cause in any year whether arising from negligence, breach of contract or otherwise:
 - (a) the maximum aggregate liability of AHDB shall be the greater of £100,000 or 125% of the cumulative total of the payments identified in Schedule B.
 - (b) the maximum aggregate liability of the Supplier shall be the greater of £1,000,000 or 125% of the cumulative total of the payments identified in Schedule B.
 - 6.3. The amounts above may only be amended in Writing and prior to the event in relation to which a claim is made.
 - 6.4. Nothing in this Contract shall limit either Party's liability for death or personal injury which may arise as a direct result of that Party's negligent act or

omission, or for fraud or fraudulent misrepresentation, or arising as a result of any breach of Data Protection Legislation.

7. For the avoidance of doubt:

7.1. The Supplier's standard terms and conditions for the supply of goods or services do not apply to this Contract except as may be specifically agreed in Writing.

7.2. In the event that the Contract applies only to the provision of Goods, the provisions in the Contract relating only to Services shall not apply.

7.3. In the event that the Contract applies only to the provision of Services, the provisions in the Contract relating only to Goods shall not apply.

7.4. Subject to any specific provision to the contrary, this Contract shall not apply to Research.

8. Any amendments to the Annex to this Contract shall be made as sub-clauses below

8.1. There are no amendments to the Annex.

9. Special Conditions. *Changes made to certain clauses as per supplier request, listed in 9.2*

9.1. Any conditions specified in this Form of Agreement as Special Conditions shall have precedence over any other provision in this Contract.

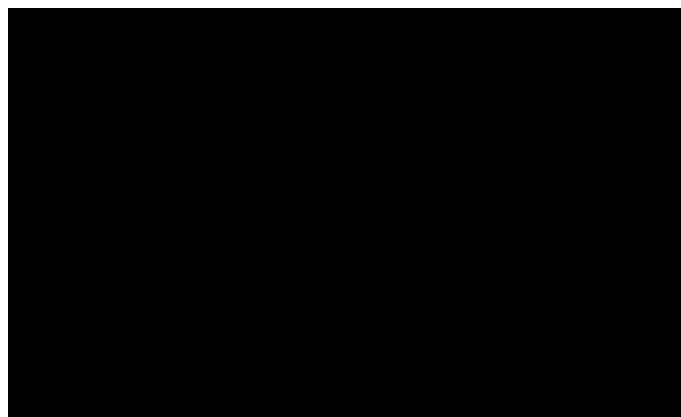
9.2. There are Special Conditions as requested by the supplier.

Signed for and on behalf of the Agriculture and Horticulture Development Board

Signature:

Name of signatory:

Date: 14th December 2020



Signed for and on behalf of the Supplier:

Signature:

Name of signatory:

Date:



Schedule A Specification, Milestones

1. Specification

- 1.1. The Specification is detailed in the Appendix, page 44.
- 1.2. The Specification is based on:
 - the invitation and/or acceptance by AHDB for the supply of the Goods and/or Services, whether by tender or otherwise, and
 - the Supplier's offer but excluding any of the Supplier's terms and conditions indicated to be imposed thereby except insofar as such terms and conditions do not conflict with any other provision of this Contract.
- 1.3. Any amendment to the Specification agreed in accordance with this Contract shall be deemed to be included in the Appendix.

2. Milestones

- 2.1. The following milestones are agreed:

| <i>Date</i> | <i>Milestone</i> |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Short term deliverables/milestones:</p> <ul style="list-style-type: none">• A final technical document outlining basic assumptions and key findings of each trade agreement analysis <p>Longer term deliverables/milestones:</p> <ul style="list-style-type: none">• A longer term aim is to develop an ongoing working relationship with the provider in order to run analysis on new trade deals, as they progress• Some joint working and upskilling of AHDB staff on the modelling process to be agreed upon appointment |

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Schedule B Payment and Invoicing

1. AHDB shall raise a Purchase Order following its receipt of this Contract signed by the Supplier, the serial number of which shall be notified to the Supplier.
2. Subject to Condition 11.3.1 and any agreed amendment of this Contract in Writing, AHDB will pay the Supplier no more than £88,925 for the term of the contract (over 3 years), exclusive of VAT
- 2.1. Subject to paragraph 2.1.1 below and compliance with this Contract including any milestones in Schedule A, the Supplier shall invoice AHDB monthly in retard for the Goods and Services supplied.
- 2.1.1. The Supplier shall invoice AHDB as follows for the Goods and Services supplied:

| <i>Date</i> | <i>Description</i> | <i>Amount (VAT- exclusive)</i> |
|-------------|--------------------------------------------------------------------------------------|----------------------------------------|
| | Monthly, as per AHDB terms and conditions (30 days from date of received invoice) | |

- 2.2. If the Contract is amended, any payment schedule relating to this Contract may be adjusted appropriately.
- 2.3. The final claim for payment shall be made within four months of the Completion Date.

3. Invoices

- 3.1. An invoice shall be deemed to be proper if it is submitted in compliance with this Schedule, paragraph 3.2 below is satisfied, and it includes:
 - (a) the serial number of AHDB's Purchase Order;
 - (b) any AHDB reference code notified to the Supplier;
- 3.2. The following information shall be provided contemporaneously with the invoice:
 - (a) A description of the relevant period and activities to which the claim relates;
 - (b) a breakdown of the Goods and Services supplied and any other documentation reasonably required by AHDB to substantiate the invoice.
- 3.3. Unless otherwise agreed, the information required by paragraph 3.2 and a copy of each invoice shall be provided to AHDB's Primary Contact (electronic provision is acceptable).
- 3.4. VAT will only be paid if a proper VAT invoice is submitted. The Supplier must exercise due care not to charge VAT on claims which are not chargeable to VAT.
- 3.5. AHDB's address for submission of invoices will be:

Accounts Payable, AHDB, Stoneleigh Park, Kenilworth, Warwickshire CV8 2TL.
- 3.5.1. Unless otherwise agreed, invoices relating to sums payable by AHDB may be sent by electronic mail in pdf format to APTeam@ahdb.org.uk.

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Schedule C Contacts

1. Contact information provided by the Parties shall be deemed to be appropriately inserted below.
2. Unless otherwise agreed, the Primary Contact nominated by a Party shall represent the Party for the purposes of this Contract.

AHDB

3. AHDB's address for correspondence and service (excluding invoices, see Schedule B) will be:
AHDB, Stoneleigh Park, Kenilworth, Warwickshire CV8 2TL
- 3.1. Communications with AHDB shall be marked for the attention of the person named below as AHDB's Primary Contact.
4. AHDB's Primary Contact will be:
[REDACTED]
or such other person as AHDB may nominate.
- 4.1. AHDB's Primary Contact will accept communications by electronic mail [REDACTED] and (except for notices and other matters required to be in Writing) by telephone (☎ [REDACTED] [REDACTED]).

Supplier

5. The Supplier's address for correspondence and service will be:
AHDB, Stoneleigh Park, Kenilworth, Warwickshire CV8 2TL
- 5.1. Communications shall be marked for the attention of the person named below as the Supplier's Primary Contact.
6. The Supplier's Primary Contact will be:
[REDACTED]
or such other person as the Supplier may nominate.
- 6.1. The Supplier's Primary Contact will accept communications by electronic mail [REDACTED] and (except for notices and other matters required to be in Writing) by telephone [REDACTED]
7. The Key Personnel if any in relation to the supply of the Goods and/or Services will be:
[REDACTED]
or such other person as the Supplier may nominate.

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Annex AHDB Terms

Agriculture and Horticulture Development Board Terms and Conditions for the Purchase of Goods and Services version 2018A

| <i>Condition</i> | <i>Page</i> |
|-----------------------------------------------|-------------|
| 1 Definitions | 10 |
| 2 Terms | 14 |
| 3 Undertakings by the Supplier | 14 |
| 4 Personnel | 16 |
| 5 TUPE | 16 |
| 6 Contracted Workers | 18 |
| 7 Contacts and Communication | 19 |
| 8 Operation of the Contract | 20 |
| 9 Sub-contracting | 21 |
| 10 Intellectual Property Rights | 22 |
| 11 Payment | 23 |
| 12 Liability | 25 |
| 13 Delivery, Acceptance and Rejection | 26 |
| 14 Termination | 28 |
| 15 Transfer of Rights and Obligations | 32 |
| 16 Freedom of Information and Data Protection | 33 |
| 17 Dispute Resolution | 34 |
| 18 General | 34 |

1. DEFINITIONS

- 1.1. In this Contract the following words and expressions shall have the meanings given to them below, unless the context otherwise requires:

| <i>Word Expression</i> | <i>or Meaning</i> |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Academic Institution | <p>A body recognised by an EU member state within which it is situated as being constituted for the principal purposes of academic research and tertiary education. Unless otherwise specified any employee, Student, agent and consultant thereof relevant to the supply of the Goods and Services shall be deemed to be part of the Academic Institution.</p> <p>For the avoidance of doubt a subsidiary company or other affiliate of an Academic Institution shall not be an Academic Institution for the purposes of this Contract unless it is a body constituted <i>per se</i> for the principal purposes of academic research and tertiary education;</p> |
| AHDB | The Agriculture and Horticulture Development Board or any subsidiary thereof; |
| AHDB Stores | AHDB Stores, Avenue M, Stoneleigh Park, Kenilworth CV8 2LG |
| AHDB Terms | AHDB's Terms and Conditions for the Purchase of Goods and Services (the content of this Annex); |
| Annex | This annex incorporated into this Contract under Clause 4; |
| Appendix | The appendix incorporated into this Contract under Clause 4; |
| Bribery Act | The Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any relevant guidance or codes of practice issued by a government department concerning the legislation. |
| Business Hours | Monday to Friday between 9am and 5pm excluding Public and Bank holidays in the UK; |
| Commencement Date | The date set out in Clause 5 as it may have been amended; |
| Completion Date | The date set out in Clause 5.1 as it may have been amended; |
| Confidential Information | <p>Any information which has been designated as confidential by a Party in writing or that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) including information the disclosure of which would, or would be likely to, prejudice the commercial interests of any person or trade secrets or Intellectual Property Rights of a Party and all personal data and sensitive data within the meaning of the Data Protection Legislation.</p> <p>Confidential Information does not include information which:</p> <p>(a) is public knowledge at the time of disclosure (otherwise than by breach of any obligation of confidentiality);</p> |

| | | |
|---------------------------------------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | <p>(b) is in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;</p> <p>(c) is received from a third party who lawfully acquired it without restriction as to its disclosure; or</p> <p>(d) is independently developed without access to the Confidential Information;</p> |
| Contract | | This written contract between AHDB and the Supplier as described in Clause 4; |
| Contracted Worker | | A person complying with the criteria set out in Condition 6.1; |
| Contractor's Confidential Information | | For the purposes of Condition 16.2.1 only, any information, which has been designated as confidential by AHDB or the Supplier in Writing or that ought reasonably to be considered as confidential however it is conveyed, including information that relates to the business, affairs, developments, trade secrets, Know-How, personnel and suppliers of the Supplier, including Intellectual Property Rights, together with all information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential; |
| DDP | | 'Delivered Duty Paid' (as defined in the Incoterms® rules 2010); |
| Data Protection Legislation(DPL) | | The Data Protection Act 2018 and the Privacy and Electronic Communications (EC Directive) Regulations 2003 and any laws or regulations implementing Directive 95/46/EC (Data Protection Directive) or Directive 2002/58/EC (ePrivacy Directive) and/or the General Data Protection Regulation (EU) 2016/679 (GDPR) and/or any corresponding or equivalent national laws or regulations, including any amendment or update thereof and/or any new or updated laws and regulations relating to data protection including any judicial or administrative interpretation thereof and any guidance, guidelines, recommendations, codes of practice, approved codes of conduct or approved certification mechanisms issued by the Information Commissioner, any replacement body or other relevant government department or supervisory authority in relation to such legislation from time to time; |
| Due Date | | Has the meaning given to it in Condition 11.3; |
| FOI Legislation | | The Freedom of Information Act 2000 and similar legislation, as set out in Condition 16.1; |
| Form Agreement | of | The agreement on the supply of goods and/or services, to which the Schedules, Annex, Appendix and other documents are attached; |
| Goods | | Any goods, being tangible moveable items, as described in the Specification that are agreed by this Contract to be purchased by AHDB from the Supplier whether or not in relation to the supply of Services; |

| | |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industry | The beef and sheep industry in England; the cereal industry in the United Kingdom; the horticulture industry in Great Britain; the milk industry in Great Britain; the oilseed industry in the United Kingdom; the pig industry in England or the potato industry in Great Britain, in each case as defined in the Agriculture and Horticulture Development Board Order 2008; |
| Intellectual Property Right | Any patent, utility model, invention, trade mark, service mark, logo, design right (whether registrable or otherwise), application for any of the foregoing, copyright, database right, domain name, Know-How, trade or business name, moral right and other similar right or obligation whether registrable or not in any country (including but not limited to the United Kingdom) and the right to sue for passing off; |
| Key Personnel | Any person identified by name or job title as Key Personnel by the Supplier in Schedule C. If no Key Personnel is identified therein, all references to Key Personnel in this Contract shall have no effect; |
| Know-How | All information not in the public domain held in any form (including that comprised in or derived from drawings, data formulae, patterns, specifications, notes, samples, chemical compounds, biological materials, computer software, component lists, instructions, manuals, brochures, catalogues and process descriptions and scientific approaches and methods); |
| Latent Defect | Any hidden flaw, weakness or imperfection in the Goods which AHDB could not discover by reasonable inspection at the time of its receipt of the Goods other than any such defect that had been made known to AHDB by the Supplier in Writing prior to the delivery of the Goods; |
| Modifications | Any additions to, updates, improvements on, bug patches, new versions of, or other modifications to the Intellectual Property, made by the Supplier during this Contract. |
| Party | Each of AHDB and the Supplier; |
| Primary Contact | A person nominated as such from time to time by a Party in accordance with Schedule C; |
| Principal Office | AHDB, Stoneleigh Park, Kenilworth, Warwickshire CV8 2TL; |
| Purchase Order | AHDB's order for the supply of Goods and/or Services under the Contract; |
| Research | Any experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts and/or any planned research or critical investigation (including any critical topic review) aimed at the acquisition of new knowledge and skills for developing new products, processes or services or for bringing about a significant improvement in existing products, processes or services; |
| Schedule | A schedule incorporated into this Contract under Clause 4; |

| | |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Services | Any services as described in the Specification that are agreed by this Contract to be purchased by AHDB from the Supplier whether or not in relation to the supply of Goods; |
| Special Condition | Any provision so specified in the Form of Agreement; |
| Specification | The specification provided in Schedule A and the Appendix, as it may have been amended; |
| Supplier | The natural or legal person named in the Form of Agreement as the Supplier. For the avoidance of doubt: <ul style="list-style-type: none"> • the Supplier may comprise more than one person, and • a person undertaking activities on behalf of the Supplier shall not comprise part of the Supplier unless he is named as such in the Form of Agreement; |
| Writing | Writing on paper, electronic mail, or any other medium that (a) allows information to be addressed to the recipient, (b) enables the recipient to store the information in a way accessible for future reference, and (c) allows the unchanged reproduction of the information stored. |

1.2. Unless the context otherwise requires, references in the Contract:

- 1.2.1. to the Supplier or to AHDB shall, where appropriate, be references to any lawful successor, assignee or transferee;
- 1.2.2. to the Supplier shall refer to each person constituting the Supplier and where the Supplier consists of more than one person, subject to any allocation of specific work concerning any part(s) of the Contract to a person or any agreement otherwise, the obligations and liabilities of those persons in relation to the Contract shall be joint and several;
- 1.2.3. to Clauses are references to the clauses of the Form of Agreement, to Conditions are references to the terms and conditions of the AHDB Terms and to paragraphs are references to paragraphs in the referring Appendix or Schedule unless otherwise indicated.
- 1.2.4. to 'person' or 'third party' include any individual, body corporate, unincorporated association, company, corporation, firm, partnership, joint venture, public authority, organisation, institution, trust or agency and any other person whether or not having a separate legal personality and shall include subject to these Conditions the successors, transferees and assigns of such a person;
- 1.2.5. to one gender include all genders;
- 1.2.6. to the singular include the plural and vice versa;
- 1.2.7. to 'includes' or 'including' shall mean without limitation;
- 1.2.8. to 'contract' includes any relevant contract however described therein;
- 1.2.9. to any statute, statutory provision or other instrument, is a reference to it as from time to time amended, extended, consolidated or re-enacted and includes all instruments, orders or regulations made under, or deriving validity from such instrument and any instrument having a similar purpose in the relevant part of the United Kingdom.

- 1.3. Any undertaking by a Party not to do an act or thing shall be deemed to include an undertaking not to permit or suffer such act or thing to be done by another person.
- 1.4. The headings and indexes in this Contract are inserted for convenience only and shall be ignored in construing the Contract.

2. TERMS AND CONDITIONS

- 2.1. Subject to the operation of law, these AHDB Terms read with the other provisions of this Contract as any such may be amended shall govern the Contract to the entire exclusion of all other terms or conditions.
 - 2.1.1. Any amendment to this Contract shall have effect only in relation to this Contract and only if agreed in Writing.
 - 2.1.2. These AHDB Terms as they may be amended from time to time apply to all purchases by AHDB of Goods and Services from the Supplier.
 - 2.1.3. The terms of this Contract shall take precedence over all other terms relating to the undertaking of the Project, including those in any Purchase Order. The Parties agree that any terms in any Purchase Order inconsistent with the terms of this Contract will not amend the terms of the Contract.

3. UNDERTAKINGS BY THE SUPPLIER

- 3.1. The Supplier undertakes that:
 - 3.1.1. it has taken reasonable care in developing and/or assessing the Specification, and believes after due consideration that it together with any of its agents and sub-contractors can fully carry out the necessary work;
 - 3.1.2. to the best of its knowledge and belief, the following shall not constitute an infringement of the Intellectual Property Rights of any third party:
 - (a) the supply of the Goods and Services;
 - (b) appropriate use by AHDB of the Goods and Services, which shall take into due consideration any relevant advice on such use that the Supplier may provide.
 - 3.1.3. it shall take reasonable steps to ensure that there is no conflict of interest as would be likely to prejudice its impartiality and objectivity in supplying the Goods and Services and that upon becoming aware of any such conflict of interest it shall promptly (and in any case within seven days) inform AHDB in Writing of the same, giving particulars of its nature and the circumstances in which it exists or arises and shall furnish such further information as AHDB may reasonably require.
 - 3.1.4. the Goods and the Services shall:
 - (a) not be changed without the prior consent in Writing of AHDB; and
 - (b) conform to the Specification, which the Supplier confirms to be accurate, complete in all material respects and not misleading.
 - 3.1.5. the Goods shall:
 - (a) be of the best available design, of the best quality and workmanship subject to the Specification and in any case without fault or defect (including Latent Defect);

- (b) conform with all Laws applicable to such Goods as regards the design, manufacture, quality, packaging, storage, transportation, delivery, labelling, health, safety and environmental standards and use of such Goods which are in force at the time of supply;
 - (c) be complete and fully operational and shall be delivered within the agreed contract price with all parts (including all parts that are not specified in the Specification but which are required for proper operation and also the usual guards, safety devices, special tools etc.);
 - (d) be accompanied by all appropriate information, warnings, instructions and documentation in relation to the safe use, handling, storing, operation, consuming, transportation and disposal of any Goods or parts or materials including paper and/or electronic operation manuals or those available via functioning web link, in particular in relation to hazardous materials which will be clearly identified to AHDB;
 - (e) be free from chlorofluorocarbons, asbestos, dioxins, halons and radiation above natural background levels and any other similarly hazardous substances unless specifically agreed by AHDB; and
 - (f) comply with any applicable national and international quality assurance standards from time to time published under which the Supplier is approved; and/or as reasonably requested by AHDB.
- 3.1.6. the Services shall be performed with all reasonable care, skill and due diligence and in accordance with best professional, technical and scientific knowledge and practice; legislative requirements; generally recognised commercial practices and standards for similar services; and any agreed service levels.
- 3.1.7. it shall at all times during the duration of this Contract and at its own expense:
- (a) maintain all licences and consents necessary for the performance of its obligations under the Contract;
 - (b) adopt safe working practices and shall not in the performance of the Contract in any manner endanger the safety of or unlawfully or unreasonably interfere with the convenience of any other person, including employees and/or contractors of AHDB;
 - (c) ensure that, in performing its obligations under the Contract, it does not cause any disturbance or damage to the operations and property at the relevant site;
 - (d) comply with AHDB's conditions and policies in relation to any site under the control of AHDB and any code of conduct and code of ethics that AHDB may provide to the Supplier from time to time;
 - (e) assist AHDB (and any person nominated by AHDB) in the investigation of any accident or incident or the resolution of any dispute, which assistance shall include, but not be limited to, making personnel available for interview, providing access to documents and records and providing information reasonably requested by AHDB;
 - (f) notify AHDB as soon as it becomes aware of any breach of laws or any health and safety incident which arises in relation to the Goods or Services (which notification shall not release the Supplier from any liability and/or obligations in respect of such breach, hazard or issue); and
 - (g) co-operate with AHDB in all matters relating to the Goods and Services.

- 3.2. The undertakings given under this Condition 3 shall survive any performance, acceptance or payment pursuant to, or any expiry or termination of, the Contract and shall be extended to any repaired or replacement Goods or substituted or remedial Services provided by the Supplier.

4. PERSONNEL

- 4.1. The Supplier shall:

- 4.1.1. deploy sufficient personnel of appropriate qualifications, competence and experience to supply the Goods and Services to time and ensure that they are properly managed and supervised;
- 4.1.2. carry out and ensure that its employees, agents and sub-contractors supply the Goods and Services with reasonable skill, care and due diligence, in accordance with best professional, technical and scientific knowledge and practice, any legislative requirements and applying an appropriate level of integrity.
- 4.1.3. take reasonable steps to avoid any changes of Key Personnel, but where the Supplier considers it necessary to do so or such Key Personnel withdraw from or become unavailable for any reason, the Supplier shall promptly inform AHDB and shall take appropriate steps to replace the Key Personnel.
- 4.2. All persons employed by the Supplier in the supply of the Goods and Services shall be its responsibility as employer. The Supplier shall be liable to AHDB for any loss AHDB may suffer arising out of the relationship of the Supplier with any person employed by it or its sub-contractors except (i) where this arises as a direct result of any breach of contract, breach of statutory duty and/or negligence on the part of AHDB or (ii) where the Supplier could not reasonably have prevented the act or failure to act leading to the loss.
- 4.3. The Supplier shall on request and subject to any requirements or limitations of the DPL, give AHDB such particulars as it may reasonably require of all persons who are or may be at any time employed in the supply of the Goods and Services.

5. TUPE

- 5.1. The Supplier shall indemnify AHDB for itself and any future provider of services to AHDB against all and any costs, expenses, liabilities, damages and losses arising out of any claim, action, demand or proceeding which arises or is alleged to arise by virtue of the operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 in connection with the termination of the provision of any of the Services (including without limitation in relation to any dismissal or alleged dismissal of any individual employed or engaged or formerly employed or engaged in the provision of the Services).
- 5.2. The Supplier shall not:
 - (a) at any time during the Contract, including any extension, move any staff into the undertaking or relevant part of the undertaking, who do not meet the standards of skill and experience or who are in excess of the number required for the purposes of the Contract; or

- (b) make any substantial change in the terms and conditions of employment of any staff engaged in supplying the Goods and Services that is inconsistent with the Supplier's established employment and remuneration policies.
- 5.2.1. Where, in the reasonable opinion of AHDB, any change or proposed change in the staff employed in the undertaking or relevant part of the undertaking, or any change in the terms and conditions of employment of such staff would be a material breach of Condition 5.2, AHDB shall have the right:
 - (a) to make representations to the Supplier against the change or proposed change;
 - (b) to give notice to the Supplier in accordance with Condition 7 requiring it to remedy the breach within 30 days; and
 - (c) if the Supplier has not remedied the breach by the end of the period of 30 days to the satisfaction of AHDB acting reasonably, to terminate the Contract in accordance with Condition 14.4.
- 5.2.2. If, after due consultation with the Supplier, AHDB reasonably requires and gives the Supplier notice in accordance with Condition 7 that any person is to be removed from involvement in the supply of the Goods and Services, the Supplier shall take reasonable steps to comply with such notice.
- 5.3. Where, in the reasonable opinion of AHDB, the Transfer of Undertakings (Protection of Employment) Regulations 2006 are likely to apply on the termination or expiry of the Contract, the Supplier shall promptly provide on request accurate information relating to the staff who would be transferred under the same terms of employment under those Regulations, including in particular:
 - (a) the number of staff who would be transferred, but with no obligation on the Supplier to specify their names;
 - (b) in respect of each of those members of staff their age, sex, salary, length of service, hours of work, overtime hours and rates, any other factors affecting redundancy entitlement and any outstanding claims arising from their employment;
 - (c) the general terms and conditions applicable to those members of staff, including probationary periods, retirement age, periods of notice, current pay agreements, working hours, entitlement to annual leave, sick leave, maternity and special leave, terms of mobility, any loan or leasing schemes, any relevant collective agreements, facility time arrangements and additional employment benefits.
- 5.3.1. The Supplier shall indemnify AHDB against any claim made against AHDB at any time by any person in respect of any liability incurred by AHDB arising from any deficiency or inaccuracy in information which the Supplier is required to provide under Condition 5.3.
- 5.3.2. AHDB shall take reasonable precautions to ensure that the information referred to in Condition 5.3 is given only to suppliers who have qualified to tender for the future provision of the supply of the Goods and Services and similar goods and services.
- 5.3.3. AHDB shall require any supplier to whom such information is given:
 - (a) to treat the information in confidence,
 - (b) not to communicate it except to such persons within their organisation and to such extent as may be necessary for the purpose of preparing a response to an invitation to tender issued by AHDB, and

(c) not to use it for any other purpose.

6. CONTRACTED WORKERS

- 6.1. This Condition 6 applies in relation to and only in relation to a person satisfying all of the following criteria (a 'Contracted Worker'):
- 6.1.1. The person must be contracted to undertake Research for or supply goods or services to AHDB for six months or more, directly by this Contract or consequent upon an obligation in this Contract upon the Supplier;
 - 6.1.2. The person must not be on the payroll of AHDB or Meat and Livestock Commercial Services Limited or any UK government department (including a devolved administration) or any agency thereof;
 - 6.1.3. The person must be or have been liable to pay UK income tax and/or national insurance contributions at the appropriate time;
 - 6.1.4. The rate of payment (calculated based on a 7.5 hours working day, and excluding reimbursement of expenses necessarily incurred and VAT) for the provision of such services must be £220 or more per day.
- 6.2. Insofar as the Contracted Worker is liable to be taxed in the UK in respect of consideration received in relation to this Contract, he shall at all times comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax in respect of that consideration.
- 6.3. Insofar as the Contracted Worker is liable to National Insurance Contributions (NICs) in respect of consideration received in relation to this Contract, he shall at all times comply with the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to NICs in respect of that consideration.
- 6.4. AHDB may, at any time during the term of this Contract, request the Contracted Worker to provide within a specified period information which demonstrates how he complies with Conditions 6.2 and 6.3 above or why those Conditions do not apply to him. For the avoidance of doubt, this does not oblige the Contracted Worker to disclose the amount of income tax or NICs paid.
- 6.4.1. AHDB may supply any information which it receives under this Condition 6.4 to the Commissioners of Her Majesty's Revenue and Customs for the purpose of the collection and management of revenue for which they are responsible.
- 6.5. Insofar as the Supplier is a Contracted Worker or the Supplier contracts directly or through any other person with any Contracted Worker for the supply of Research or goods or services in relation to the satisfaction of its obligations under this Contract, this Condition 6 shall apply in relation to each Contracted Worker.
- 6.5.1. The Supplier shall ensure that such contracts:
- (a) contain obligations and other provisions equivalent to those in this Condition 6 so that AHDB is able to take action in relation to each Contracted Worker; and
 - (b) ensure that any information provided by a Contracted Worker to any other person in relation to the operation of this Condition 6 may lawfully be provided to AHDB and be provided by AHDB to the Commissioners of Her Majesty's Revenue and Customs.
- 6.6. Subject to Condition 14.12, AHDB may terminate this Contract if:
- (a) in the case of a request mentioned in Condition 6.4, the Contracted Worker:

- (i) fails to provide information in response to the request within any specified period or, if no period is specified, within a reasonable time, or
 - (ii) provides information which is inadequate to demonstrate either how he complies with Conditions 6.2 and 6.3 above or why those Conditions do not apply to him; or
 - (b) AHDB receives information which demonstrates that, at any time when Conditions 6.2 and 6.3 apply to the Contracted Worker, he is not complying with those Conditions.
- 6.6.1. Amendments to the Contract under Condition 14.12 may exclude the Contracted Worker but AHDB shall have no liability to the Supplier in relation to any liability thereby falling upon the Supplier.

7. CONTACTS AND COMMUNICATION

- 7.1. AHDB and the Supplier shall each nominate a Primary Contact as its principal point of contact.
- 7.1.1. The Supplier shall nominate any Key Personnel.
- 7.1.2. Any such nomination shall be in Writing to the other Party.
- 7.2. The Primary Contacts and the Key Personnel shall communicate as necessary to facilitate the performance of this Contract.
- 7.3. Contact and communication information relating to each Party is set out or deemed to be set out in Schedule C.
- 7.3.1. Unless otherwise agreed, any communication between the Parties concerning the Contract shall be in English.

Notices

- 7.4. Any notice required to be given shall:
- 7.4.1. be in permanent written form and signed by or on behalf of a duly authorised officer of the Party giving notice;
- 7.4.2. be deemed duly served if:
- (a) given to the Representative of the Party to be served with the notice (the 'receiving Party'), or
 - (b) left at, or sent by pre-paid first-class post (or by air mail if one Party is outside the UK) or by email transmission to, the address of the receiving Party specified in Schedule C.
- 7.4.3. be deemed to have been received by the receiving Party:
- (a) on the first Working Day after the day on which it is given to the Representative of, or left at the address of, that Party;
 - (b) on the third Working Day after the day on which it is posted save that if the notice is sent by air mail, it shall be deemed to have been so received on the fifth Working Day after the day on which it is posted;
 - (c) on the first Working Day after the day on which a email is read after being received.
- 7.5. In proving the serving and receipt of a notice it shall be sufficient to prove that:
- (a) the notice was given or left in accordance with Condition 7.4.2; or

- (b) the envelope containing the notice was correctly addressed and was posted; or
- (c) the facsimile was correctly addressed and was confirmed by the recipient equipment as having been received with all pages successfully transmitted.

8. OPERATION OF THE CONTRACT

- 8.1. The Supplier shall properly manage and monitor the supply of the Goods and Services and inform AHDB in Writing without undue delay if any aspect of the Contract is not being or is unable to be performed.
 - 8.1.1. The Supplier shall provide all the facilities necessary to supply the Goods and Services.
 - 8.1.2. Any materials or processes used in connection with the supply of the Goods and Services shall be in accordance with standards set out in the Contract.
- 8.2. The Supplier shall supply the Goods and Services to AHDB in accordance with the Specification and ensure that its employees, agents and sub-contractors act with reasonable skill, care and diligence.
- 8.3. The Supplier shall take reasonable steps to follow best professional or good industry practice and ensure compliance with all applicable laws, codes of practice, guidelines and any Standards set out in the Specification, by itself and its servants, employees, agents and sub-contractors.
- 8.4. The Supplier confirms that:
 - 8.4.1. it will comply with best practice and relevant provisions, whether statutory or otherwise, relating to health and safety at work;
 - 8.4.2. it will comply with the DPL;
 - 8.4.3. it will not unlawfully discriminate within the meaning and scope of the provisions of the Equality Act 2010;
 - 8.4.4. it will comply with the Bribery Act.
- 8.5. The Supplier confirms that in entering into the Contract it has not:
 - 8.5.1. colluded with any competitor in formulating its offer to supply the Goods and Services except insofar as any such competitor is a named participant in a consortium in relation to supply of the Goods and Services of which the Supplier is also a participant;
 - 8.5.2. canvassed any person associated with AHDB or otherwise sought improperly to improve its competitive position in relation to this Contract;
 - 8.5.3. done or omitted to do anything that would result in a breach of the Bribery Act 2010.
- 8.6. Except to the extent permitted in this Contract, the Supplier shall treat all Confidential Information belonging to AHDB as confidential and shall not disclose any such Confidential Information to any other person without the prior consent in Writing of AHDB, except under an obligation of confidentiality upon such persons and to such extent as may be necessary for the performance of the Supplier's obligations under the Contract.
 - 8.6.1. Each Party may discuss the Contract and its performance with any adviser or consultant subject to appropriate conditions of confidentiality.
- 8.7. The Supplier shall promptly and in any case not later than one week of its becoming aware of any circumstances likely to adversely affect the supply of the

Goods and Services bring these matters to the attention of AHDB in Writing and the Primary Contacts shall reasonably agree any consequential action that shall be taken.

- 8.8. Each Party shall, subject to being informed reasonably in advance, attend all meetings specified in the Contract or otherwise reasonably arranged by either Party for the discussion of matters concerned with the supply of the Goods and Services.
- 8.9. At any time prior to delivery of the Goods to AHDB or completion of the Services AHDB (or its nominee) shall have the right to inspect and test the Goods or inspect the work being carried out in performance of the Services. If at the date of the inspection the Goods are located or the Services are being performed at the premises of the Supplier or its associated companies or sub-contractors, the Supplier shall procure that AHDB or its nominees have access on reasonable notice and shall ensure that the inspectors shall receive such information and assistance as they reasonably request in relation to their inspection or testing of the Goods or Services.
- 8.9.1. If the results of such inspection or testing cause AHDB to be of the opinion (acting reasonably) that the Goods and/or Services do not conform or are unlikely to conform to the Specification, or that the Goods and/or Services may not be delivered to time, AHDB may at its option:
- (a) inform the Supplier in Writing, following which the Supplier shall immediately take such action as is necessary to ensure conformity or timely delivery as the case may be;
 - (b) reject the Goods or Services; or
 - (c) require and witness further testing and inspection.
- 8.9.2. Notwithstanding any such inspection or testing, the Supplier shall remain fully responsible for the Goods and the Services and any such inspection or testing shall not diminish or otherwise affect the Supplier's obligations under the Contract.

9. SUB-CONTRACTING

- 9.1. Without prejudice to the provisions of Annex 2, where a Supplier enters into a Sub-Contract for the purpose of performing its obligations under the Contract, it shall ensure that provisions are included *mutatis mutandis* in the Sub-Contract which:
- (a) have the same effect as Conditions 11.3, 11.3.1 and 11.3.2; and
 - (b) require the counterparty to that Sub-Contract to include in any Sub-Contract which it awards provisions having the same effect *mutatis mutandis* as Conditions 11.3, 11.3.1 and 11.3.2.
- In this Condition 9.1, 'Sub-Contract' means a contract between two or more suppliers, at any stage of remoteness from AHDB in a subcontracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of this Contract.
- 9.2. The Supplier shall ensure that any sub-contractor complies with the terms and conditions of this Contract insofar as they are applicable and shall provide AHDB on request with a copy of any sub-contract.
- 9.2.1. Where the Supplier becomes liable to pay interest payments to a sub-contractor, AHDB will not reimburse those costs unless they are incurred due to the negligence or default of AHDB.

- 9.3. The appointment of sub-contractors shall be subject to the prior approval of AHDB which shall not be unreasonably delayed or refused.
- 9.3.1. Any sub-contract shall not relieve the Supplier of its obligations under the Contract and the Supplier shall remain liable to AHDB for any performance or non-performance of such obligations.

10. INTELLECTUAL PROPERTY RIGHTS

- 10.1. Subject to Clause 10.3, all Intellectual Property Rights arising from the supply of the Goods and Services to AHDB together with any other information, knowledge, idea, design, material, or invention and any expression of any idea created by the Supplier (or its agents or employees) shall be the exclusive property of AHDB.
- 10.2. The Supplier shall fully disclose all such arising Intellectual Property Rights to AHDB and shall not use them for its own purposes or those of any third party nor disclose them without the prior written consent of AHDB. The Supplier at the request and expense of AHDB will take all measures which may be necessary to vest ownership of such Intellectual Property Rights in AHDB or its nominee and shall assist AHDB in establishing and protecting such Intellectual Property Rights, including if necessary doing all such acts and executing all such documents as AHDB reasonably deems necessary. To the extent permitted by applicable Laws, the Supplier shall waive or shall procure the waiver of moral rights in such Intellectual Property Rights.
- 10.3. The Supplier shall retain all rights, title and interest in Modifications to its Intellectual Property Rights resulting from the supply of the Goods and Services to AHDB. The Supplier agrees to grant to AHDB a non-exclusive, non-transferable licence to use any such Modifications in accordance with the terms of this contract.
- 10.4. AHDB grants the Supplier, each employee and student of the Supplier, an irrevocable, royalty-free right to use the arising Intellectual Property Rights for the purposes of academic teaching and academic research. The rights in this clause are subject to the rules on publication in clause 10.5.
- 10.5. The Supplier shall be entitled to publish any results of the Services and discuss work undertaken as part of the Services in seminars, tutorials and lectures, subject to clause 10.6, with the prior consent of AHDB, such consent is not to be unreasonably withheld.
- 10.6. The Supplier will submit to AHDB, in writing, details of any results and any of the AHDB's pre-existing Intellectual Property Rights that any employee or student of the Supplier intends to publish, at least thirty (30) days before the date of the proposed submission for publication. AHDB may, by giving written notice to the Supplier ("Confidentiality Notice"):
- 10.6.1. Require the Supplier to delay the proposed publication for a maximum of six (6) months after receipt of the Confidentiality Notice if, in the AHDB's reasonable opinion, that delay is necessary in order to seek patent or similar protection for any of AHDB's pre-existing or arising Intellectual Property Rights that are to be published;
- 10.6.2. Or prevent the publication of any of AHDB's pre-existing Intellectual Property Rights that are Confidential information.
- 10.7. AHDB must give that Confidentiality Notice within fifteen (15) days after AHDB receives details of the proposed publication. If the Supplier does not receive a Confidentiality Notice within that period, its employee or student may proceed with the proposed publication, provided that, whether or not a Confidentiality

Notice has been given, any of AHDB's pre-existing Intellectual Property Rights that is Confidential information may not be published.

- 10.8. AHDB acknowledges that the Supplier is required by its funders to demonstrate the Supplier's impact on society and agrees to provide the Supplier with any information reasonable requested provided that the information will not be AHDB's Confidential information, or any information which identifies or allows any living individual to be identified, and the information requested and disclosed under or pursuant to this clause will be general in nature.
- 10.9. The Supplier shall:
 - 10.9.1. ensure that each person who is engaged in relation to the Contract is engaged on terms which do not entitle him to copyright or any other arising Intellectual Property Rights;
 - 10.9.2. ensure that it is and remains entitled to transfer free from any encumbrances any title and/or rights necessary to effect any vesting required by this Contract;
 - 10.9.3. co-operate with and assist AHDB in obtaining and/or enforcing any and all rights in such Intellectual Property.
- 10.10. If a claim is made that the possession or use by AHDB of any Goods or Services supplied under this Contract infringes the Intellectual Property Rights of a third party, or in the Supplier's reasonable opinion such a claim is likely to be made, the Supplier shall promptly and at its cost either:
 - 10.10.1. obtain for AHDB the right to continue using the materials which were the subject of the claim; or
 - 10.10.2. modify or replace the infringing part of the materials so as to avoid the infringement or alleged infringement but in such a way that it complies with the representations and warranties in this Contract.
- 10.11. If the Supplier becomes aware that any person alleges that any Intellectual Property Rights owned by or to be vested in AHDB are invalid or that use of such Intellectual Property Rights infringes any Intellectual Property Rights of another party then it shall as soon as reasonably practicable give AHDB particulars thereof in Writing and shall make no comment or admission to any third party in respect thereof.
- 10.12. All AHDB's Intellectual Property Rights and all materials, products, samples, documents and information provided by AHDB to the Supplier (including copyright therein) shall remain the property of AHDB. Their use by the Supplier shall be allowed only within the limits of the purpose of this Contract or another written contract between the Parties.
- 10.13. This Contract shall not affect the ownership of any Intellectual Property Rights in existence before the Commencement Date.
 - 10.13.1. For the avoidance of doubt, Condition 10.1 shall not apply in relation to pre-existing Intellectual Property Rights in software that has been modified at AHDB's expense to enable the performance of this Contract. Any use of such modified software by the Supplier other than at the request of AHDB shall be subject to the prior agreement of AHDB in Writing.

11. PAYMENT

- 11.1. AHDB will not reimburse any increase in the Supplier's costs (including increases in pay rates, national insurance and other employment costs) unless agreed in writing prior to the Supplier incurring such an increase.
- 11.2. All payments shall be paid to the Supplier, which shall hold in trust for AHDB any monies due therefrom to any other person until they are received by that person. The Supplier shall comply with instructions from AHDB in Writing to withhold part or all of any such payment to such a person and AHDB shall reimburse the Supplier for any damages awarded judicially against the Supplier consequent upon the Supplier's compliance with any such instructions.
- 11.3. AHDB shall pay all undisputed amounts within 30 days of the day when it has determined that a received invoice is valid and undisputed (the 'Due Date'). Such determination shall include establishing that it is proper (as described in Schedule B). Time for payment shall not be of the essence of the Contract.
 - 11.3.1. AHDB will consider and verify invoices in a timely manner.
 - 11.3.2. If AHDB fails to comply with paragraph 11.3.1 and there is an undue delay in considering and verifying the invoice, the invoice shall be regarded as valid and undisputed for the purpose of Condition 11.3 after a reasonable time has passed, taking into consideration all relevant circumstances.
 - 11.3.3. If any sum due under the Contract is not paid within 30 days of the Due Date then, without prejudice to the Parties' other rights under the Contract, that sum shall bear simple interest from the Due Date until payment is made in full, both before and after any judgment, at 2 per cent per annum over the official dealing rate in force on the day on which such interest starts to run, where the official dealing rate is the rate announced from time to time by the Monetary Policy Committee of the Bank of England and for the time being in force as the official dealing rate.
 - 11.3.4. The Supplier is not entitled to suspend deliveries of Goods or Services as a result of any sum being outstanding.
 - 11.3.5. In the event that an agreed milestone is not achieved or the final claim is not made as agreed, AHDB reserves the right to withhold all or part of the relevant monies otherwise due to the Supplier.
 - 11.3.6. AHDB reserves the right to audit any payment for which reimbursement is claimed and the Supplier agrees to co-operate fully in relation to any such audit.
- 11.4. Notwithstanding any other provision in this Contract and without prejudice to its other rights and remedies, no part of the final scheduled payment shall be due from or payable by AHDB until the performance of the Contract by the Supplier has been completed to AHDB's satisfaction acting reasonably.
 - 11.4.1. In the event that no final payment is scheduled, such final scheduled payment shall be deemed to be 20% of the total payment due under this Contract if performed in full.
 - 11.4.2. In the event that the Supplier fails to complete such performance on or before the Completion Date through no fault of AHDB:
 - (a) the Parties shall agree a date and the performance shall be completed no later than such date;
 - (b) without prejudice to any other rights and remedies available to AHDB, AHDB shall be entitled to receive from the Supplier an amount equal to 10% of the total sum payable by AHDB to the Supplier under the Contract, such payment being a debt due from the Supplier to AHDB and representing the reasonable estimate by the

Parties of the losses or damages likely to arise to or be incurred by AHDB as a result of such breach, and not by way of a penalty or similar charge; and

- (c) the Supplier shall pay such payment to AHDB within 30 days of receiving a proper invoice from AHDB.

- 11.5. Without prejudice to any other right or remedy, AHDB shall have the right to set off any amount owed by the Supplier to AHDB for any reason including any overpayment by AHDB to the Supplier against any amount payable by AHDB to the Supplier under the Contract or any other contract.

12. LIABILITY

- 12.1. Neither Party shall be responsible to the other Party (including any person forming part of the Supplier) for any special, exemplary, indirect or consequential loss or damage, loss of profit, loss of revenue or anticipated savings, loss of business opportunity or loss of goodwill arising under or pursuant to this Contract, whether arising from negligence, breach of contract or otherwise, whether or not that Party has been advised of the possibility of, should have known of, or could reasonably have prevented, such loss or damage.

- 12.2. The Supplier shall indemnify AHDB, its employees, agents and contractors from and against liability for:

- (a) death or personal injury;
- (b) loss of or damage to property (including property belonging to AHDB for which it is responsible);
- (c) any losses arising from a breach of Data Protection Legislation; and
- (d) actions, claims, demands, costs, charges and expenses (including legal expenses on an indemnity basis)

which arises out of or in connection with the supply of the Goods and Services or a breach of this Contract.

- 12.3. The indemnities contained in Condition 12.2 shall not apply to the extent that:

- (a) any loss, damage injury, cost and expense is caused by the negligent or wilful act or omission of AHDB, its employees, agents or contractors, or by the breach by AHDB of its obligations under the Contract; or
- (b) the Supplier is able to demonstrate that the loss, damage or injury arose as a direct result of the Supplier acting on specific instructions in Writing from AHDB.

- 12.4. Each Party shall, with effect from the Commencement Date for such period as necessary to enable the Supplier to comply with its obligations under Condition 12, take out and maintain (and shall require any sub-contractor to take out and maintain) with a reputable insurance company an appropriate level of insurance covering appropriate risks.

- 12.4.1. The insuring Party shall responsibly and reasonably determine the appropriateness of the level of insurance and risks to be covered and shall take into consideration any views reasonably expressed by the other Party. That other Party shall not unreasonably refuse to assist the insuring Party when it is making such determination. Failure to insure adequately shall not relieve a Party of its liability to the other Party.

- 12.4.2. Satisfactory evidence of the level of insurance and the payment of premiums in relation to the policy or policies of insurance referred to in Condition 12.4 shall be shown by the insuring Party to the other Party on request.
- 12.4.3. No Party to the Contract shall take any action or fail to take any reasonable action, or (to the extent that it is reasonably within its power) permit anything to occur in relation to it, which would entitle any insurer to refuse to pay any claim under any insurance policy in which that Party is an insured, a co-insured or additional insured person.
- 12.4.4. AHDB may waive the requirement for indemnity and/or insurance, in whole or part, where the Supplier is able to provide adequate assurance that it can meet any liabilities for which indemnities are provided for under Condition 12.2.
- 12.5. In relation to any Supplier that is an Academic Institution (or is deemed to be such by this Contract), the following shall not apply:
- (a) any requirement for an indemnity and any consequential requirement for insurance and evidence thereof;
 - (b) Condition 11.5.
- For the avoidance of doubt, such non-application shall not relieve the Supplier of any liability to AHDB.
- 12.6. Neither Party shall be responsible for any failure to perform its obligations hereunder due to an event of force majeure, including any circumstances beyond its reasonable control, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either Party's workforce).
- 12.6.1. In the case of an event of force majeure, the Parties shall seek to minimise any adverse effect on the Contract, including adjusting milestones where appropriate
- 12.6.2. If an event of force majeure delays the supply of any Goods or Services by more than thirty days and this event could reasonably be envisaged to jeopardise the interests of a Party or the Contract, the Parties shall consider and agree on appropriate action including whether the Contract and its performance should be amended, postponed or terminated and subject to the agreement of AHDB shall take appropriate action.

13. DELIVERY, ACCEPTANCE AND REJECTION

- 13.1. Subject to Conditions 13.1.1 and 13.1.2, the Goods shall be delivered DDP to the AHDB Stores and the Services performed at the place specified in the Contract. Delivery shall take place at the entrance to the relevant building or such other building as may be specified and not roadside unless otherwise agreed in writing prior to delivery.
- 13.1.1. Supplies of Goods by letter post may be addressed to the Principal Office.
- 13.1.2. A different place of delivery or performance may be agreed:
- (a) in Writing prior to delivery of the Goods or the performance of the Services; or
 - (b) orally prior to such delivery or performance and where appropriate subsequently confirmed in Writing.
- 13.1.3. The Supplier shall unload the Goods at its own risk as directed by AHDB. Unless otherwise stipulated by AHDB, deliveries shall only be accepted by AHDB in Business Hours.

- 13.1.4. The date for delivery shall be specified, or if no such date is specified then unless otherwise agreed delivery shall take place within 28 days of the order.
- 13.1.5. The Goods shall remain at the risk of the Supplier until delivery in accordance with the Contract to AHDB is complete (including unloading and stacking) when ownership of the Goods shall pass to AHDB.
- 13.2. In respect of Goods, the Supplier shall invoice AHDB upon, but separately from, despatch of the Goods to AHDB. In respect of Services, the Supplier shall invoice AHDB monthly in arrears (or at such other frequency as may be agreed between the Parties).
- 13.3. The Supplier shall ensure that each delivery of Goods is accompanied by a delivery note which shows, among other things, the Purchase Order number, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.
- 13.4. Time shall be of the essence of the Contract in relation to the Supplier's obligation to supply the Goods and Services unless otherwise specifically agreed in Writing.
- 13.5. If the Goods are not delivered on the due date, the Services are not provided in accordance with the agreed timetable or if the Goods or Services (in the reasonable opinion of AHDB) do not comply with the Purchase Order, the Specification or any other standards stipulated by AHDB then, without prejudice to any other rights which it may have, subject to Condition 14.12 AHDB reserves the right to terminate the Contract.
- 13.6. All Goods shall be packaged by the Supplier so as to ensure that they will be in good condition upon arrival at their destination. If the Supplier requires AHDB to return any packaging material to the Supplier that fact must be clearly stated on any delivery note delivered to AHDB and any such packaging material shall only be returned to the Supplier at the cost of the Supplier.
- 13.7. Where AHDB agrees in Writing to accept delivery of Goods or Services by instalments the Contract shall be construed as a single contract in respect of each instalment. Nevertheless failure by the Supplier to properly deliver any one instalment shall entitle AHDB at its option to treat the whole Contract as repudiated.
- 13.8. If the Goods are delivered to AHDB in excess of the quantities ordered AHDB shall be entitled to reject the excess Goods and shall not be bound to pay for the excess and any excess shall be and shall remain at the Supplier's risk and shall be available for collection at the Supplier's expense within 3 months. Thereafter AHDB may dispose of such excess Goods at the Supplier's expense.
- 13.9. AHDB shall not be deemed to have accepted the Goods until it has had 7 days to inspect them following delivery. AHDB shall also have the right to reject the Goods as though they had not been accepted for 14 days after any Latent Defect in the Goods has become apparent.
- 13.10. The Supplier agrees that AHDB or AHDB's representative shall be entitled to monitor the performance of the Contract at any reasonable time and, save where AHDB has good reason not to give any notice, on reasonable notice and to inspect and take copies of any relevant records of the Supplier.
- 13.11. The Supplier shall promptly, and in any case within one week of its becoming aware of any circumstances likely to adversely affect the supply of the Goods and Services or the time in which this will be completed, bring these matters to the attention of AHDB's Primary Contact in Writing and the Primary Contacts shall reasonably agree any consequential action that shall be taken.

14. TERMINATION

- 14.1. This Contract may be terminated by agreement in Writing between the Parties at any time.
- 14.2. Where AHDB is reasonably of the opinion that the Supplier has a significant conflict of interest relating to the Contract, subject to Condition 14.12 AHDB may terminate the Contract. This Condition shall not apply if any such conflict of interest is capable of being avoided or removed and the Supplier promptly and successfully takes steps at its expense to avoid or remove the conflict.
- 14.3. Where in the reasonable opinion of AHDB the Supplier has failed to:
- (a) progress the supply of the Goods and Services in accordance with the Specification unless otherwise reasonably agreed between AHDB and the Supplier in Writing, including any agreement under Condition 13.11; or
 - (b) otherwise fulfil its obligations under this Contract,
- AHDB may give the Supplier notice in accordance with Condition 7 specifying the way in which its performance falls short of the requirements of the Contract, or is otherwise unsatisfactory. Such notice may:
- (a) direct the Supplier to remedy the fault at the Supplier's expense within such time as may be reasonably specified by AHDB; and/or
 - (b) withhold or reduce payments to the Supplier, in such amount as AHDB reasonably deems appropriate in the circumstances.
- 14.3.1. In relation to any significant failure described in Condition 14.3:
- (a) If the failure is not reasonably remediable, AHDB may treat the failure as a material breach of the Contract.
 - (b) If the failure is reasonably remediable and the Supplier fails to remedy it reasonably promptly or in accordance with any direction given by notice under that Condition, AHDB may then treat the failure as a material breach of the Contract.
- 14.4. In the event that the Supplier has committed a material breach of the Contract, subject to Condition 14.12 AHDB may terminate the Contract. This Condition shall not apply if such breach is capable of remedy and the Supplier has remedied such breach at its own expense within 30 days (or such other period as may reasonably be agreed) of being required by AHDB in Writing to do so.
- 14.5. If any distress, execution or other process is levied upon any of the assets of the Supplier intended to be used for the purposes of the supply of the Goods and Services, subject to Condition 14.12 AHDB may terminate the Contract. This Condition shall not apply if the Supplier is able to properly undertake such supply by other means at no additional cost to AHDB.
- 14.6. If the Supplier being an individual dies or is judged incapable of managing his affairs within the meaning of Part VII of the Mental Health Act 1983, AHDB may terminate the Contract.
- 14.7. The Supplier shall promptly inform AHDB in Writing of any proposal or negotiations which will or may result in a merger, take-over, change of control, change of name or change of status and of the completion of any such matter. For the purposes of this Condition 14.7, 'control' has the meaning set out in section 1124 of the Corporation Tax Act 2010.

- 14.7.1. AHDB shall respect any reasonable request by the Supplier to treat information provided under Condition 14.7 as Confidential Information for an appropriate specified period.
- 14.7.2. Upon completion of any of the matters described in Condition 14.7, AHDB shall consider in the context of the Public Contracts Regulations 2015 whether the continuation of the Contract with or without reasonable amendment is unlawful and shall take appropriate action which subject to Condition 14.12 may include terminating the Contract.
- 14.8. The Supplier shall inform AHDB in Writing immediately upon the occurrence of any of the following events:
- (a) being an individual:
 - is the subject of a bankruptcy order, or
 - has made a composition or arrangement with his creditors;
 - (b) being a company:
 - goes into compulsory winding up;
 - passes a resolution for voluntary winding up;
 - suffers an administrator, administrative receiver or receiver and manager to be appointed or to take possession over the whole or any part of its assets;
 - has entered into a voluntary arrangement with its creditors under Part I of the Insolvency Act 1986;
 - has proposed or entered into any scheme of arrangement or composition with its creditors under Part 26 of the Companies Act 2006; or
 - has been dissolved;
 - (c) being a partnership or unregistered company:
 - goes into compulsory winding up;
 - is dissolved;
 - suffers an administrator or receiver and manager to be appointed over the whole or any part of its assets;
 - has entered into a composition or voluntary arrangement with its creditors; or
 - any individual member of the partnership falls within Condition 14.8(a);
 - (d) or is in any case affected by any similar occurrence to any of the above in any jurisdiction,
- and subject to Condition 14.12 AHDB may terminate the Contract.
- 14.9. If:
- (a) the Supplier has failed to make satisfactory progress with the supply of the Goods and Services and AHDB reasonably believes that such supply is unlikely to be completed by the Completion Date;
 - (b) AHDB's powers to impose a levy upon any Industry relevant to the Goods and Services are reduced or discontinued; or

subject to Condition 14.12 AHDB may terminate the Contract by giving the Supplier not less than 30 days' notice.

- 14.10. Subject to Condition 14.12, AHDB shall have the right at any time and for any reason to terminate the Contract by giving not less than 60 days' notice, whereupon all work on the Contract shall be discontinued.
- 14.11. Subject to Condition 14.12 and pursuant to regulation 73 of the Public Contracts Regulations 2015, AHDB may terminate the contract by giving the Supplier not less than 30 days' notice if:
- (a) the contract has been subject to a substantial modification which would have required a new procurement procedure in accordance with regulation 72(9) of those Regulations;
 - (b) the Supplier has, at the time of contract award, been in one of the situations referred to in regulation 57(1), including as a result of the application of regulation 57(2) of those Regulations, and should therefore have been excluded from the procurement procedure; or
 - (c) the contract should not have been awarded to the Supplier in view of a serious infringement of the obligations under the Treaties and the Public Contracts Directive that has been declared by the Court of Justice of the European Union in a procedure under Article 258 of the Treaty of the Functioning of the European Union.
- 14.12. Before giving notice of termination under Conditions 6.6, 13.5, 14.2, 14.4, 14.5, 14.7.2, 14.8, 14.9, 14.10 or 14.11, AHDB shall consult the Supplier and the Parties shall promptly consider whether any part of the supply of the Goods and Services could reasonably and usefully continue to be undertaken as an alternative to termination and if so whether the Contract should consequently be amended. If AHDB agrees to such continuation, notice of termination shall not be given and appropriate amendments shall be made to the Contract, which may include amendments to the Specification and the payments due.
- 14.12.1. In the event that no agreement is reached to continue the supply of any or all of the Goods and Services within 10 days of AHDB consulting the Supplier under Condition 14.12, AHDB may terminate the Contract.
- 14.13. Notice of termination of this Contract shall be given by AHDB to the Supplier in accordance with Condition 7.
- 14.14. AHDB may, during any notice period direct the Supplier:
- (a) to refrain from performing the Contract or any part thereof;
 - (b) to cease work immediately; or
 - (c) to complete, in accordance with this Contract, any part of the supply of Goods or Services, which shall be paid at the agreed price or, where no agreement exists as to price, a fair and reasonable price, and such of the Contract as is relevant to the completion of such part shall continue to have effect until such part is completed or discontinued.
- 14.15. Termination of this Contract by AHDB may (unless otherwise specified) have immediate effect.
- 14.16. Except as expressly provided in this Contract, termination of the Contract shall not affect:
- (a) any right, obligation or liability of any Party which has accrued at the date of termination;

- (b) any provision of this Contract which is expressly or impliedly intended to continue to have effect after the Contract has been terminated.
- 14.17. If the Contract is terminated by AHDB otherwise than as a consequence of a material breach by the Supplier, the Supplier shall be entitled to claim from AHDB reimbursement of expenditure incurred or irrevocably committed by the Supplier necessarily and properly in relation to the performance of this Contract including expenditure unavoidably incurred as a result of such termination but excluding loss of profits and any compensation or consequential or indirect loss. The liability of AHDB under this Condition together with any other payments made or to be made to the Supplier shall not exceed the total sum payable for the supply of the Goods and Services as set out in Schedule B.
- 14.17.1. Any such reimbursement shall be conditional upon the Supplier complying with a duty to mitigate such costs as far as is reasonably practicable.
- 14.18. In the event of termination of this Contract as a consequence of a material breach by the Supplier:
- (a) AHDB shall not be under any obligation to make any payment to the Supplier for such period as is reasonable for AHDB to assess the loss and/or damage suffered as a result of the termination. After such period and discussion with the Supplier, AHDB may recover the amount of such loss and/or damage including by set off against any sums due to the Supplier in relation to this Contract;
 - (b) the Supplier shall promptly refund to AHDB any funds paid by AHDB to the Supplier in accordance with this Contract and not in the reasonable opinion of AHDB properly spent or properly committed for the purposes of the Contract;
 - (c) all rights granted to AHDB by the Supplier including any licence to use any Intellectual Property Rights in relation to the Goods and Services shall reasonably continue until the supply of the Goods and Services has been discontinued or completed in relation to the Goods and Services or similar goods and services with a replacement supplier;
 - (d) all rights acquired during the period of the Contract by the Supplier to use any Intellectual Property Rights provided by AHDB shall cease upon termination;
- 14.19. In the case of termination of this Contract pursuant to Conditions 5.2.1(c), 6.6, 13.5, 14.2, 14.4, 14.5, 14.6, 14.7.2, 14.8, 14.9 or 14.10, without prejudice to any other rights which it may have AHDB reserves the right to:
- 14.19.1. refuse to accept any subsequent delivery of the Goods or Services which the Supplier attempts to make;
 - 14.19.2. purchase from a third party Goods and Services of similar nature and scope to those that were to be supplied under this Contract;
 - 14.19.3. recover from the Supplier any excess cost incurred by AHDB over the price agreed in this Contract together with all charges and expenses arising from the purchase of such Goods or Services from the third party; and
 - 14.19.4. claim damages for reasonable additional costs, loss or expenses incurred by AHDB which are attributable to the Supplier's failure to perform the Contract.
- 14.20. Subject to Condition 14.20.1, to the extent that the Contract is declared wholly ineffective or otherwise invalid, void, voidable or unenforceable by any court, tribunal or administrative body of competent jurisdiction pursuant to law (including any law which implements or gives effect to the EU Remedies Directive

[2007/66/EC]), the Contract shall terminate with immediate effect and Condition 14.17 shall apply. The Supplier acknowledges that, other than as set out in this Condition 14.20 (or Condition 14.20.1 if applicable), it shall be entitled to no other payment from AHDB in the event of any such termination.

14.20.1. Where a declaration of the type described in Condition 14.20 (a 'Declaration') is stayed or otherwise suspended pending an appeal by AHDB or for any other reason, the Contract shall continue in full force and effect for such period of stay or suspension (the 'Relevant Period'). If the Declaration is upheld at the end of the Relevant Period the Contract shall be deemed to have terminated on the date the original Declaration was made (or such other date as may be determined by the court, tribunal or administrative body of competent jurisdiction) and the provisions of Condition 14.20 shall apply with effect therefrom (provided that the amounts being reimbursed to the Supplier thereunder shall include those reasonably incurred by it in respect of work-in-progress or Services performed during the Relevant Period). If the Declaration is overturned at the end of the Relevant Period the Contract shall continue in full force and effect for the remainder of the Term. The Supplier agrees to provide all reasonable assistance to AHDB in connection with any Declaration or appeal against a Declaration and in mitigating the effect of such.

14.21. The Supplier shall co-operate fully with AHDB following the termination of the Contract as a consequence of its expiry or otherwise. This co-operation shall extend to allowing full access to, and providing copies of, all documents, reports, summaries and any other information relating to the supply of the Goods and Services. Upon the termination of the Contract, the Supplier shall:

- (a) forthwith return to AHDB the originals and any copies of all documents and materials provided in relation to the Contract and destroy any electronic copies thereof;
- (b) transfer to AHDB, or any person designated by AHDB, free of charge, all computerised filing, recording, documentation, planning and drawing held on software and utilised in the supply of the Goods and Services;
- (c) permit AHDB to enter premises and recover any documents, equipment and materials which are the property of AHDB provided AHDB reasonably informs the Supplier in advance of its intention so to do,

so however that such documents, equipment and materials may be retained insofar as they are required by the Supplier for the purposes of another contract with AHDB.

14.21.1. Following termination or expiry of the Contract otherwise than as a result of a material breach by the Supplier, the Supplier shall be entitled to invoice AHDB for a reasonable fee in respect of the Supplier's time spent on assisting AHDB with any requests for information.

15. TRANSFER OF RIGHTS AND OBLIGATIONS

15.1. The Supplier shall not sub-contract, transfer, assign, charge, or otherwise dispose of the Contract or any part of it without the prior consent of AHDB in Writing, which may be conditional but shall not be unreasonably withheld, denied or delayed.

15.1.1. The Supplier shall ensure, if so requested by AHDB, that an assignee enters into a novation agreement with AHDB to perform the Contract as if the assignee were a Party to the Contract in lieu of the Supplier.

- 15.2. AHDB may at any time by giving 30 days' notice to the Supplier in accordance with Condition 7, transfer or assign all or any rights and/or obligations under the Contract.

16. FREEDOM OF INFORMATION AND DATA PROTECTION

- 16.1. The Parties acknowledge that, in order to be compliant with the Freedom of Information Act 2000, the Environmental Information Regulations 2004, or any other legislation governing access to information (the 'FOI Legislation'), there may be an obligation to provide information that relates to this Contract, which may include Confidential Information, on request to third parties.
- 16.1.1. In the event that either Party receives a request for information relating to the Contract falling within the scope of the FOI Legislation, that Party (the 'Disclosing Party') shall be entitled to disclose such information as is necessary to comply with the FOI Legislation. The Parties shall co-operate in order to enable the Disclosing Party to comply with its obligations under the FOI Legislation. Where Confidential Information relating to the Contract is exempt from disclosure, it shall not be disclosed without the agreement in Writing of the owning Party.
- 16.1.2. The Disclosing Party shall not be liable for any loss, damage, harm or other detriment suffered by the other Party arising from the disclosure of any information required by the FOI Legislation to be disclosed.
- 16.2. AHDB maintains a database of its contracts including all those likely to have a value of £25,000 or more. AHDB recognises the importance of transparency in its procurement and contracting, and subject to any confidentiality obligations the contents of these contracts will be made available to interested persons on request.
- 16.2.1. The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOI Legislation, the content of this Contract is not Contractor's Confidential Information. The Disclosing Party shall be responsible for determining whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOI Legislation.
- (a) Notwithstanding any other term of this Contract, the Supplier hereby gives its consent for AHDB to provide or publish to the general public the Contract in whole or part, as it may be amended.
- (b) The Supplier shall assist and co-operate with AHDB to enable AHDB to provide or publish this Contract, including by identifying any matters which it considers to be confidential or otherwise exempt from disclosure under the FOI Legislation. AHDB will take any representation from the Supplier into fair and proper account.
- 16.3. The Supplier shall not publicise or permit any other person to publicise the procurement, award, existence or content of this Contract without the prior written permission of AHDB's Director of Communications and Legal Services, which may be conditional and which shall not be unreasonably denied, delayed or withheld.
- 16.3.1. For the avoidance of doubt, Condition 16.3 does not prevent:
- (a) The disclosure by any Party of this Contract or a draft thereof to a supplier or sub-contractor that is expected to act with the Supplier in relation to the supply of the Goods and Services so that it is aware of the terms under which the Supplier will contract with AHDB. Commercially sensitive matter

may be redacted. Similar conditions to those imposed on the Supplier under Condition 16.3 shall be imposed on the recipient.

(b) the disclosure of the AHDB Terms to any person.

- 16.4. The Parties shall comply with the obligations contained in Annex 2 in respect of data processing and the protection of personal data within the meaning of the DPL.
- 16.5. Insofar as the Supplier is subject to the FOI Legislation or is the data controller pursuant to the DPL, this Condition 16 and Annex 2 shall have mutual effect mutatis mutandis.

17. DISPUTE RESOLUTION

- 17.1. The Parties shall in good faith attempt to negotiate a settlement to any dispute between them arising out of or in connection with the Contract.
 - 17.1.1. If any such dispute is not resolved by such negotiation within 42 days from notification that a dispute exists or such longer period as may be agreed, including escalation to senior executives if appropriate, the Parties shall consider referring the matter to mediation in accordance with Conditions 17.2 and 17.3.
 - 17.1.2. Each Party agrees to pay due consideration to Conditions 17.1 and 17.3 before commencing proceedings to settle a dispute relating to this Contract.
- 17.2. The procedure for mediation shall be as follows:
 - 17.2.1. a neutral person ('the Mediator') shall be chosen by agreement between the Parties, alternatively, any Party may within 14 days from the date of the proposal to appoint a mediator, or within 14 days of notice to any Party that the chosen mediator is unable or unwilling to act, apply to the Centre for Dispute Resolution ('CEDR') to appoint a mediator;
 - 17.2.2. the Parties shall within 14 days of the appointment of the Mediator meet with him to agree a timetable for the exchange of all relevant and necessary information and the procedure to be adopted for the mediation. If appropriate, the Parties may at any stage seek from CEDR guidance on a suitable procedure;
 - 17.2.3. unless otherwise agreed, all negotiations and proceedings in the mediation connected with the dispute shall be conducted in strict confidence and shall be without prejudice to the rights of the Parties in any future proceedings;
 - 17.2.4. if the Parties reach agreement on the resolution of the dispute, that agreement shall be put in Writing and shall be binding upon the Parties;
 - 17.2.5. failing agreement, any Party may invite the Mediator to provide a non-binding but informative opinion in Writing. Such opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the dispute without the prior consent of the Parties in Writing.
- 17.3. For a period of 60 days from the date of the appointment of the Mediator, or such other period as the Parties may agree, none of the Parties may commence any proceedings in relation to the matters referred to the Mediator.

18. GENERAL

- 18.1. Subject to any fraudulent misrepresentation, the Contract including any documents referred to herein and any properly made amendment sets out the entire agreement relating to the supply of the Goods and Services and supersedes any prior agreement, contract, understanding, proposal, statement

or other communication relating to the Goods and Services whether oral or written.

- 18.1.1. In entering into this Contract, each Party acknowledges that it does not do so on the basis of and does not rely on any representation, warranty or other provision except as expressly provided in this Contract.
- 18.1.2. No terms or conditions endorsed upon, delivered with or contained in the Supplier's quotation, acknowledgement of an Order, specification, delivery note, invoice, proposal or similar document shall form part of the Contract and the Supplier waives any right which it otherwise might have to rely on such terms and conditions.
- 18.2. Nothing in this Contract shall be taken as limiting or excluding AHDB's or the Supplier's rights or obligations pursuant to law.
- 18.3. In carrying out the supply of the Goods and Services, the Supplier shall be acting as principal and not as agent or employee of AHDB. Accordingly:
 - 18.3.1. Nothing in this Contract shall be construed so as to create a partnership or joint venture between the Parties or have the effect of making any employee of any Party a servant of another Party;
 - 18.3.2. No Party shall act or describe itself as the agent of another Party nor shall it make or represent that it has authority to make any commitments on the other's behalf;
 - 18.3.3. The Supplier shall not (and shall ensure that any other person engaged in relation to the Contract shall not) say or do anything that might lead any other person to believe that the Supplier is acting as the agent or employee of AHDB, and
 - 18.3.4. Nothing in the Contract shall impose any liability of AHDB in respect of any liability incurred by the Supplier to any other person but this shall not be taken to exclude or limit any liability of AHDB to the Supplier that may arise by virtue of either a breach of the Contract or any negligence on the part of AHDB, its staff or agents.
- 18.4. The following requirements shall not apply as between AHDB and a Party who is part of the Crown and the Supplier shall not require any sub-contractor that is part of the Crown to comply with provisions similar to those requirements:
 - (a) Conditions 3.1.2, 12.2, 12.4 (excluding the requirement in relation to sub-contractors) and 14 (to the extent that it relates to Condition 3.1.2);
 - (b) Any other requirement for an indemnity or insurance.
- 18.4.1. The provisions in Condition 18.4 shall apply *mutatis mutandis* in relation to a state department of a member state of the European Union, including any executive agency thereof.
- 18.4.2. For the avoidance of doubt the existence, continuation or size of any liability to AHDB shall not be affected by the operation of this Condition 18.4.
- 18.5. If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be severed and the remaining provisions of the Contract shall continue in full force and effect.
- 18.6. Each right or remedy of AHDB under the Contract is without prejudice to any other right or remedy of AHDB whether under the Contract or not and is in addition to any conditions implied in favour of AHDB by Law.

- 18.7. A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Contract.
- 18.7.1. The delay, failure or neglect of any Party to exercise any right or remedy shall not constitute a waiver of that right or remedy.
- 18.7.2. No waiver shall be effective unless it is communicated in Writing.
- 18.8. The Supplier agrees to permit any competent authority to perform such checks as it may lawfully require for the purpose of establishing the compliance of AHDB with regulatory or contractual requirements.
- 18.9. This Contract does not give any person who is not a Party to it any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its provisions. This does not affect any right of a third party which exists other than pursuant to that Act.
- 18.10. The Contract shall be governed by and construed in accordance with the law of England and Wales.
- 18.10.1. Without prejudice to Condition 17, each Party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).

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Annex 2 – Data Protection Addendum

1. Processing of Data

- 1.1 AHDB takes a positive attitude towards data sharing providing it is appropriate, undertaken within the scope of the Data Protection Legislation (“DPL”) and there are adequate and proportionate data security arrangements in place.
- 1.2 AHDB has agreed to provide the personal data described in Part 1 (the “Data”) for the purpose specified therein (“Purpose”) and the Data Protection Officer (“DPO”) has authorised its release for the Purpose in accordance with this Agreement. All Data shall be transmitted securely in accordance with Part 1.
- 1.3 The Data may include confidential information about companies and/or individuals. These data subjects were informed at the time the Data was collected that AHDB might or would transfer it to other persons. The Supplier accepts that AHDB bears no legal responsibility for the accuracy or comprehensiveness of the Data supplied.
- 1.4 The Data provided under this Agreement may only be used for the Purpose and must not be published in any form.

2. Data Access, Supplier Personnel and Sub-contractors

- 2.1 The Data is to be shared with the Supplier solely for the Purpose on a strictly need to know basis, and must not be used for any other purpose. Access to the Data must be limited by the Supplier to those personnel, who need to have such access for the Purpose (“Permitted Persons”).
- 2.2 For the purpose of this agreement Permitted Persons shall mean all employees, officers, staff, other workers, agents and consultants of the Supplier who are engaged in the performance of the Purpose.
- 2.3 The Supplier shall on request and subject to any requirements or limitations of the DPL, give AHDB such particulars as it may reasonably require of all persons who are or may be at any time employed in the supply of the Goods and Services.
- 2.4 The Supplier shall take all reasonable steps to ensure the reliability and integrity of any Permitted Persons who have access to the Data and ensure that they:
 - 2.4.1 are aware of and comply with the Supplier’s duties under this agreement;
 - 2.4.2 are subject to appropriate confidentiality undertakings with the Supplier;
 - 2.4.3 are informed of the confidential nature of the Data and do not publish, disclose or divulge any of the Data to any third party unless directed in writing to do so by AHDB or as permitted by this Agreement; and
 - 2.4.4 have undergone adequate training in the use, care, protection and handling of personal data.
- 2.5 The Data must not be provided in whole or in part to any other natural or legal person.
- 2.6 The Supplier is responsible for ensuring that all Permitted Persons fully comply with all obligations and requirements of this Agreement. Failure to do so shall be considered a breach of this Agreement.
- 2.7 The Supplier must ensure that all Permitted Persons and any approved sub-contractor, are subject to a duty of confidence and binding written contractual obligations in respect of the Data no less onerous than those contained in this Agreement.

- 2.8 The Supplier shall not appoint any sub-contractor without AHDB's prior written consent, which consent shall not be unreasonably withheld. The Supplier shall remain fully liable for the sub-contractor's compliance with this Agreement and for all its acts or omissions. The Supplier shall provide AHDB with such information regarding the sub-contractor as AHDB may reasonably require.

3. Storage and Protection of Data

- 3.1 To the extent that the undertaking of this Agreement requires the Supplier to process the Data on behalf of AHDB, the Parties agree that AHDB shall be the data controller and the Supplier shall be the data processor (as such terms are defined in the DPL) and the Supplier agrees to:
- 3.1.1 comply with all applicable DPL in respect of the performance of its obligations under this Agreement and shall not by any act or omission cause AHDB (or any other person) to be in breach of any DPL;
 - 3.1.2 store all data in accordance with Part 1;
 - 3.1.3 process the Data only on and in accordance with AHDB's written and documented instructions as set out in this Annex 2 and provided from time to time, unless the processing is prohibited by any applicable laws and the Supplier has informed AHDB of such applicable laws;
 - 3.1.4 notify AHDB immediately at Data.Protection@ahdb.org.uk if it believes that it has been given an instruction which does not comply with the DPL;
 - 3.1.5 not transfer or permit the transfer of the Data outside the European Economic Area without AHDB's prior written consent; and
 - 3.1.6 implement and maintain appropriate technical and organisational measures in accordance with this Annex 2 and in such a manner that the processing will:
 - 3.1.6.1 meet the requirements of the DPL;
 - 3.1.6.2 ensure the protection of the rights of data subjects within the meaning of the DPL; and
 - 3.1.6.3 preserve the integrity of the Data and ensure a level of physical and technical security in respect of the Data at all times that is appropriate to the risks that are presented by the processing, in particular from accidental or unlawful destruction, loss, damage or alteration, or unauthorised disclosure of or access to the Data transmitted, stored or otherwise processed;
- 3.2 As a minimum level of protection for the Data, and without prejudice to any other provision of this Annex 2, the Supplier shall:
- 3.2.1 assess risks to the confidentiality, integrity and availability of the Data at least quarterly;
 - 3.2.2 verify its Information and Communication Technology (ICT) systems handling the Data to the extent necessary to give confidence in the security of the data; and
 - 3.2.3 perform secure back-ups of all Data and ensure that up-to-date back-ups are stored in accordance with a recovery plan. The back-ups shall be made available to AHDB on request.

4. Data Subject Rights

- 4.1 The Supplier may inform any enquirer that it is conditionally authorised by AHDB to have and to use the Data and that the Data is being held and used in confidence under

its control. Any such enquiries shall be reported promptly to the DPO in writing at Data.Protection@ahdb.org.uk.

4.2 Subject to clause 5.1, the Supplier shall notify AHDB immediately if it:

- 4.2.1 receives a Data subject access request (or purported Data subject access request);
 - 4.2.2 receives a request to rectify, block or erase any Data;
 - 4.2.3 receives any other request, complaint or communication relating to either Party's obligations under the DPL;
 - 4.2.4 receives any communication from the Information Commissioner or any other regulatory authority in connection with Data processed under this Agreement;
 - 4.2.5 receives a request from any third party for disclosure of Data where compliance with such request is required or purported to be required by Law.
- 4.3 Assist AHDB, insofar as is possible, in the fulfilment of its obligations to respond to requests made by data subjects to exercise any of their rights under DPL.

5. Data Loss or Breach

- 5.1 The Supplier shall notify AHDB immediately if it becomes aware of any event that results, or may result, in unauthorised access to Data held by the Supplier under this Agreement, and/or actual or potential loss and/or destruction of Data in any breach of this Agreement, including any Data breach. The Supplier's obligation to notify under clause 4.2 shall include the provision of further information to AHDB in phases, as details become available.
- 5.2 Notify AHDB's DPO at Data.Protection@ahdb.org.uk of any suspected or actual breaches of security without undue delay (but in no event later than twelve (12) hours after becoming aware of the breach) and provide such details as may be reasonably required regarding the nature and likely consequences of the breach.
- 5.3 Notify AHDB's DPO at Data.Protection@ahdb.org.uk without undue delay (but in no event later than twelve (12) hours) if the Supplier becomes aware that AHDB Data in its possession has or may have become corrupted, lost or degraded and inform AHDB of the remedial action the Supplier proposes to take. The Supplier shall restore or procure the restoration at its expense of such data that has become corrupted, lost or degraded wholly or partially as a result of the Supplier's default as soon as practicable but not later than four (4) weeks from the date on which the possibility of such corruption, loss or deterioration comes to the Supplier's attention. Subject to the Supplier having been given a reasonable opportunity to undertake such restoration, if such restoration is performed by or on behalf of AHDB otherwise than by the Supplier, the Supplier shall promptly reimburse the reasonable costs thereby incurred by AHDB.

6. Liability

- 6.1 The Supplier shall comply with all applicable DPL in respect of the performance of its obligations under this Agreement and shall not by any act or omission cause AHDB (or any other person) to be in breach of any DPL. The Supplier accepts and acknowledges that nothing in this Agreement shall relieve the Supplier of its own direct responsibilities and liabilities pursuant to the DPL.

7. Deletion or Return of Data

- 7.1 On the earlier of the completion of the use of the Data for the Purpose or at the written request of AHDB for return or destruction of information or the date given in Part 1 ("**Completion Date**"), all copies of the Data must be returned or destroyed in accordance with Part 1 and the return or destruction must be confirmed in writing within seven (7) days of the Completion Date to AHDB's DPO at Data.Protection@ahdb.org.uk using the Data Disposal Form (a copy of which is attached at Part 2). Failure to do so shall be considered to be a breach of this contract.

8. Audit Rights

- 8.1 Provide such information, co-operation and other assistance to AHDB as AHDB reasonably requires (taking into account the nature of processing and the information available) to ensure compliance with the DPL, including with respect to security of processing, data protection impact assessments, prior consultation with a supervisory authority regarding high risk processing and any remedial action and/or notifications to be taken in response to any Data breach or request from a data subject (as such terms are defined in the DPL).
- 8.2 Maintain complete, accurate and up to date written records of all categories of processing activities carried out on behalf of AHDB including such information as AHDB may reasonably require, and make such records available to AHDB on request in a timely manner (and in any event within three (3) business days) and provide such other information or allow such inspections as AHDB reasonably requires to audit the Supplier's compliance with its obligations under the DPL and this Agreement and demonstrate its own compliance with the DPL.

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Part 1

1 Subject-matter of processing:

[INSERT]

2 Nature and Purpose of the processing:

[INSERT]

3 Type of personal data:

[INSERT]

4 Categories of data subjects if relevant:

[INSERT]

5 Timelines for use of Data

[INSERT]

6 Any other processing instructions:

Data Transmission:

Data shall be transmitted securely as follows:

Fax

No Data will be sent by fax.

Email

Data sent by email must be encrypted if possible. If encryption is not possible, the data file will be password protected using at least 13 character alpha-numeric passwords. Passwords will only be supplied once data receipt is confirmed.

The Data Managers use FIPS 140-2 compliant AES256 'zip' compression and encryption software. Data files will be encrypted using public keys or as a 'zipped' file with pass-phrases as appropriate to the encryption capabilities of the data recipient.

The word '**CONFIDENTIAL**' must be entered in the subject field of the email in front of the email title in all instances.

Post

Hard copy Data may be transmitted by post, courier or messenger.

If Data must be put on CD/DVD it should be encrypted (see details of encryption above). If the data recipient is unable to collect the CD/DVD by hand, encrypted CD/DVD's may be transmitted by post (Recorded Delivery or better), courier or messenger. If encryption is not possible the CD/DVD will be password protected using at least 13 character alpha-numeric passwords. If the data recipient is unable to collect the CD/DVD by hand it will be dispatched by Royal Mail Special Delivery service with tracking of transit or by courier.

In all cases when sending Data by post, a single sealed cover addressed to an individual by name or appointment will be used. The cover must not attract attention. Therefore, it must not be marked with any protective marking and only the descriptors 'Personal' or 'Addressee Only' may be used.

In all cases Data will be sent only to a named individual, agreed in advance, and must be accessed only by Permitted Persons.

Data Storage:

Hard copies of Data must be stored in a secure building and/or in a locked cabinet, and destroyed in accordance with the below.

When held on ICT systems on secure premises, password policies must be in place that ensure only those listed can access data. The ICT infrastructure should be certified to the Cyber Essentials standard as a minimum.

Full back-up policies must be in place for servers.

Data destruction must include all backup copies of data as well as live.

All access to standalone machines must be protected by username/password.

All data users must avoid transferring Data onto removable media (including laptop hard-drives, removable discs, CD's, USB memory Sticks, PDA's and media card formats), except when this is essential and only as agreed in writing with the Data Manager setting out the controls to be put in place. If taken outside the organisation's secure premises, laptop hard drives, CD/DVD, USB devices or any other removable media must be fully encrypted using FIPS 140-2 compliant AES256 encryption or better

Data Destruction:

Protectively marked waste is a potential source of information and prior to its secure destruction it should be held in an appropriate secure container under lock and key separate from other waste.

Methods of Destruction:

Protectively marked paper-based waste, such as, paper and card, must be securely destroyed by incineration, pulping or shredding. Waste may be shredded on any shredder or torn into four pieces and placed in a confidential waste sack. The waste sack must be kept under lock and key until it has been collected for onward transmission to the contractor who destroys it.

Electronic media containing Data must be disposed of by overwriting, erasure or degaussing for re- use.

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Part 2

DISPOSAL OF DATA FORM

It is a condition of this Agreement that the Supplier shall return this form duly completed within 7 days of the Completion Date. It may be returned as hard copy or in pdf format by electronic mail to Data.Protection@ahdb.org.uk.

In the event that the destruction and notification requirements are not satisfied, the Supplier must immediately notify AHDB's DPO (Tel: 024 76 69 2051; Email: Data.Protection@ahdb.org.uk), specifying the reason for such failure.

Failure to do so shall be considered to be a breach of this contract.

I confirm that all Data provided under this Agreement and all copies thereof have been destroyed in accordance with this Agreement.

Signed:

Name (Block Capitals):

Date:

Organisation:

Please return the completed form within 7 days of data destruction to:

DPO, AHDB, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2TL

Email: Data.Protection@ahdb.org.uk

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Appendix Specification Details

The information in this Appendix is to be read as having been amended by any amendments agreed in accordance with this Contract.

The invitation and acceptance for Quantitative modelling for post EU Exit trade deals (UK Agricultural industry), by tender as published on Bravo – DEFRA's e sourcing portal

<https://defra.bravosolution.co.uk>

Project title: Quantitative modelling for post EU Exit trade deals (UK Agricultural industry)

Bravo project reference: 30957

Invitation to tender published on: 20th October 2020

Supplier's tender proposal dated 10th November 2020 and all Bravo messaging/clarifications to the award of the contract.

AHDB Specification

Title: Quantitative modelling for post EU Exit trade deals (UK Agricultural industry)

Ref: 2020-464

Aim

To assess the impact of UK/US and other future UK trade deals on the UK Agricultural Industry

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 examine various trade scenarios and evaluate their potential impact on UK agriculture.

1. Introduction

This document is a briefing for researchers interested in producing an impact assessment and analysis of a UK/US trade deal, and on future trade deals and their impact on the UK agricultural industry.

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 provide AHDB with impact assessment analysis that will quantify, assess and analyse the impact of a UK/US trade deal and future trade deals.

The trade relationship between the UK and the EU will have been finalised before this modelling work is undertaken.

The analysis must also be able to quantify the impact of:

1. Trade agreements and arrangements

The impact assessment must include the effect of the above on:

1. Domestic commodity prices
2. Trade volumes and value

It would be helpful, but not essential to also have information on the effect on

1. Industry/sector structure

A summary and aims of the research projects are detailed below. AHDB have previously conducted research into the effect of the UK leaving the EU. These documents can be accessed via the [AHDB website](#) and may be used to help create the research brief.

The UK agricultural industry beyond leaving the EU

The decision to leave the EU is a game changer for UK farming and growing. Huge uncertainty hangs over the industry while the UK negotiates its departure from the EU, the most immediate and pressing challenge being to determine what relationship might be entered into in terms of access to the EU single market.

However, once the future UK/EU relationship has been determined, we need to understand the potential impact of trade agreements with third parties. The US trade deal is likely to be the first to be examined, followed by Australia and New Zealand.

We are seeking to examine the effects of each of these potential trade deals on UK agriculture.

Our focus remains on equipping our levy payers and the wider industry with the tools to become more competitive and sustainable. Our first priority is to ensure that we help levy payers make sense of the issues facing the industry over the coming months. This means providing independent information and analysis on the key issues surrounding the impacts of the US/UK trade agreement and of future trade agreements on UK agriculture.

The four main areas of concern for agriculture are;

1. UK international trade and changes in this trade as a result of an FTA
2. Changes in domestic prices of commodities
3. The impact of these price changes on Farm Business Income
4. The potential for restructure of UK agricultural sectors following trade agreements

The aims of the research are: -

- To quantify the impact of various scenarios for the first two of the above parameters
- To analyse the potential impact of various potential trade deals

3 Service Requirement

| | |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Research Objectives | <p>AHDB are seeking a three year contract with the successful applicant. AHDB intend to examine approximately two trade deals per year, so six in total, as well as develop the ability to run and rerun different scenarios as negotiations with each trade agreement progress. AHDB would aim to work closely with the successful applicant to both sketch out the trade deal scenarios and to develop in house expertise on running the modelling work itself.</p> <p>In terms of output objectives, the impact on trade flows and prices of each trade deal are key. The potential impact on the structure of the UK industry is desirable but not essential. We wish to understand the potential impact of these for each of the 6 sectors AHDB currently covers: These comprise Cereals & Oilseeds, Potatoes, Horticulture, Dairy, Beef & Lamb and Pork, although this may change over the course of the contract.</p> |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Trade deals to be examined include:</p> <ol style="list-style-type: none"> 1. US 2. Japan 3. Australia 4. New Zealand <p>AHDB assume that the trading relationship between the EU and the UK will have been decided before work commences on these subsequent trade deal impacts.</p> |
| Requirements | <p>The proposal must clearly demonstrate that the research objectives listed above will be met.</p> <p>As stated above, AHDB are seeking a close working relationship with the successful applicants, as opposed to the usual contractor relationship, for an extended period of time.</p> <p>AHDB can organise working groups to offer sector specific expertise and input into the underlying assumptions for the modelling work as well as thoroughly sense checking the outputs.</p> <p>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.</p> <p>A full and comprehensive cost breakdown must be provided.</p> <p>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.</p> <p>The proposal must also include the following details for each of the projects :</p> <ul style="list-style-type: none"> • Name and full contact details of the project manager that would be leading each project. • Examples of similar projects undertaken or published work • A description of the type of model to be used for this econometric modelling, and why that model constitutes the best approach |

| | |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> • A suggested approach to team working/joint working with AHDB staff • CV of project managers assigned to each of the projects - . • Key targets and dates of achievement (timetable). • 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 • <p>Please note - A costing table with a final lump cost must be provided for the research project so they can be judged independently.</p> <p>Agencies must clearly mark their <u>recommended route to achieve objectives</u> and <u>final lump cost</u> 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.</p> <p>Timing Requirements: See section 5</p> |
| Additional Information | <ul style="list-style-type: none"> • Research bodies are invited to present their views on best methodologies in order to achieve the objectives of the research. |
| Budget | <ul style="list-style-type: none"> • A budget in the region of £90,000 ex VAT is available for this three year project |
| Deliverables | <p>Short term deliverables:</p> <ul style="list-style-type: none"> • A final technical document outlining basic assumptions and key findings of each trade agreement analysis <p>Longer term deliverables</p> <ul style="list-style-type: none"> • A longer term aim is to develop an ongoing working relationship with the provider in order to run analysis on new trade deals, as they progress • Some joint working and upskilling of AHDB staff on the modelling process to be agreed upon appointment |

4 Structure of submissions and evaluation methodology

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

80% 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 (30%)
- 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 (5%)
- Relevant experience of allocated project manager (40%) Please provide a CV for the project manager and other staff working on the project. If, during the course of the three year contract, the project staff change, AHDB will seek assurances that any replacements in the team are at the same level and experience as those initially appointed.
- Meeting the **agreed timelines for each project stage** – mandatory

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

20% 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 on the Bravo portal by noon 10th November 2020.

For any queries or clarifications, these are to be submitted via the messaging system on Bravo, no AHDB stakeholders are to be contacted directly, these will be handled by the Procurement team at AHDB.

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

| | |
|------------------------------------------------|--------------------------------------------------|
| Brief circulated | 20 th October 2020 |
| Deadline for receipt of responses (12.00 noon) | 10 th November 2020 |
| Evaluation stage | 11 th -17 th November 2020 |
| Communication of intended | 20 th November 2020 |
| Contract commencement | 27 th November 2020 |
| Initial briefing meeting on Teams | w/c 7 ^h December |

Please note that these timescales are approximate and may change.

Supplier proposal

1.1.1 Demonstrate understanding of requirements

Levels of trade and trading partners

Future UK trade policy post-Brexit is of great importance to farmers, UK food producers and ultimately consumers. Furthermore, how the nation feeds itself is of key concern to society beyond the farm gate.

For consumers the outcome of future trade deals could affect the quality, price and availability of food. The UK is 61% self-sufficient in all foods (Defra, 2020), and even though there is potential to increase the level of self-sufficiency, this figure would currently be no greater than 77%. The current value of imported food is nearly £48 billion a year (Defra, 2020), of which 70% is sourced from the EU. Figure 1 highlights the top-10 countries the UK currently relies on for imported food. Note the level of trade with the EU.

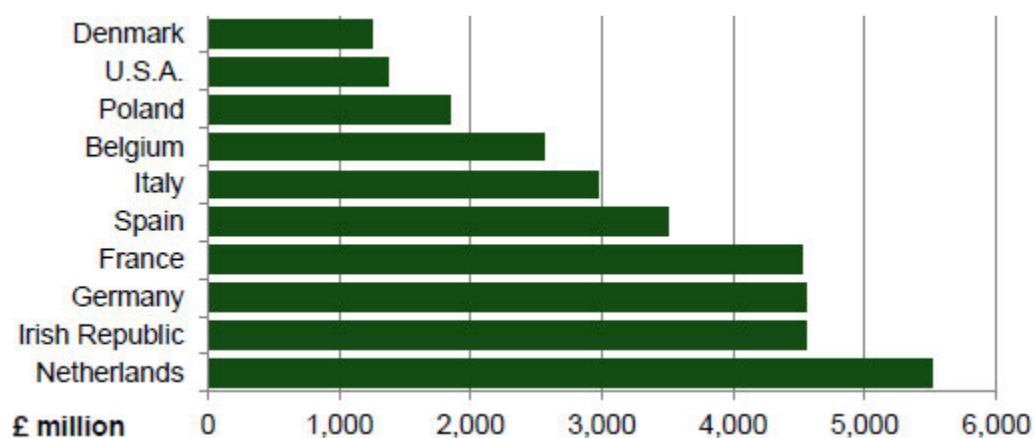


Figure 1. Imports of food, feed and drink by country of dispatch 2019
Source: Agriculture in the UK 2019, Defra

The UK exported £23.6 billion of food, feed and drink in 2019 (Defra, 2020), and some sectors, notably lamb and pork, are particularly vulnerable to trade agreements due to the proportion of produce which is exported. With two-thirds of food products currently destined for the EU, the terms of a trade agreement with the EU will be vital to the country. Figure 2 illustrates the export destinations of food from the UK.

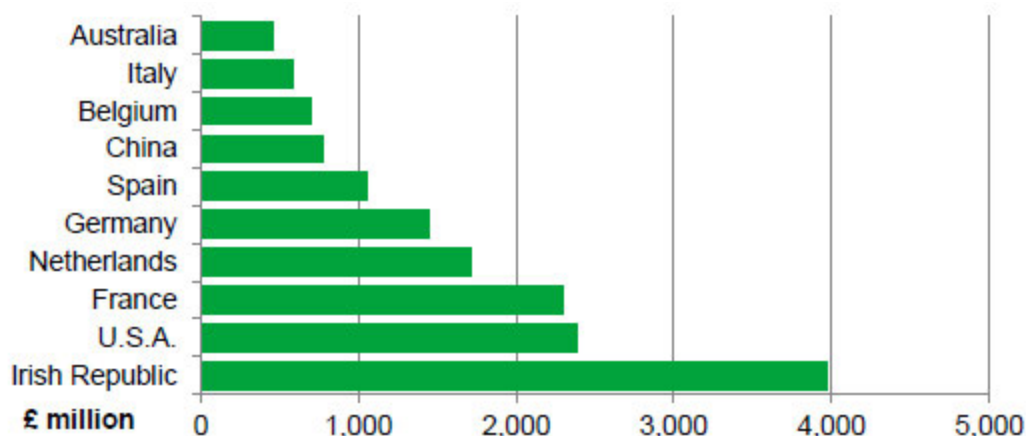


Figure 2. Exports of food, feed and drink by country of destination 2019

Source: Agriculture in the UK 2019, Defra

Achieving trade relationships with all trading partners which are beneficial to the UK will be a major achievement, particularly trying to balance maintaining the free and frictionless trade with the EU currently enjoyed, and international trade that does not undermine high domestic production standards.

Areas of concern to the UK Agri-Food industry

Tariffs

The impact of high tariffs on trade and prices and therefore for the UK to remain competitive in world markets is of major concern for the agri-food industry, and the various possible trade agreements need to be carefully considered for their impact.

Some of the impacts of tariffs imposed on the UK post-Brexit include subsequent tariff reductions in new agreements on trade flows, varying prices at different stages of the supply chain, reduction in level of market power, and reducing competitive efficiency.

A model which can accurately reflect the potential impact of tariffs would be of significant help to an industry at severe risk from exposure to these effects.

Food Standards

Farmers are concerned that future trade deals may allow imports of food produced under standards not currently permitted in the UK (and the EU), particularly cattle fed with growth hormones, or chicken washed in chlorinated water. However, any divergence by the UK could result in additional trade barriers, and UK products exported to the EU would still need to be compliant with EU standards. In October 2020 MP's voted down a House of Lords amendment to the Agriculture Bill which would have required all food imports to meet domestic standards, a decision which if passed in the final reading of the Bill will have a significant impact on the industry. A model which is able to accommodate the impact of product differentiation in the form of food standards would provide the food industry with much needed information for future plans.

Understanding of the brief

To conduct an impact assessment analysis that will quantify, assess and analyse the impact of a UK/US trade deal and other possible future trade deals for 6 key agricultural industry sectors, namely Cereals & Oilseeds, Potatoes, Horticulture, Dairy, Beef & Lamb and Pork. This requires

the close engagement of relevant AHDB staff to ensure analysed trade scenarios are reflective of current thinking, as well as to improve the level of understanding, in-house expertise and subsequent communication of trade analysis outcomes by AHDB staff to levy payers and industry stakeholders. This proposal is focused on delivering this process using a new and more rigorous approach to trade modelling at its core, one that will quantify the impact on the specified sectors of trade agreements and arrangements; their impact on domestic commodity prices, trade volumes, and the welfare of producers and consumers; as well as provide additional analysis on changes in prices, profits, welfare and volumes traded by intermediaries in the agri-food supply chains both domestically and in foreign countries (detailed below with further reference in documents 1.1.2 and 1.1.3).

Trade networks

International trade is not a straightforward issue as shown in Figure 3 below, which clearly shows the intricate and complex network of international trade agreements across the world.

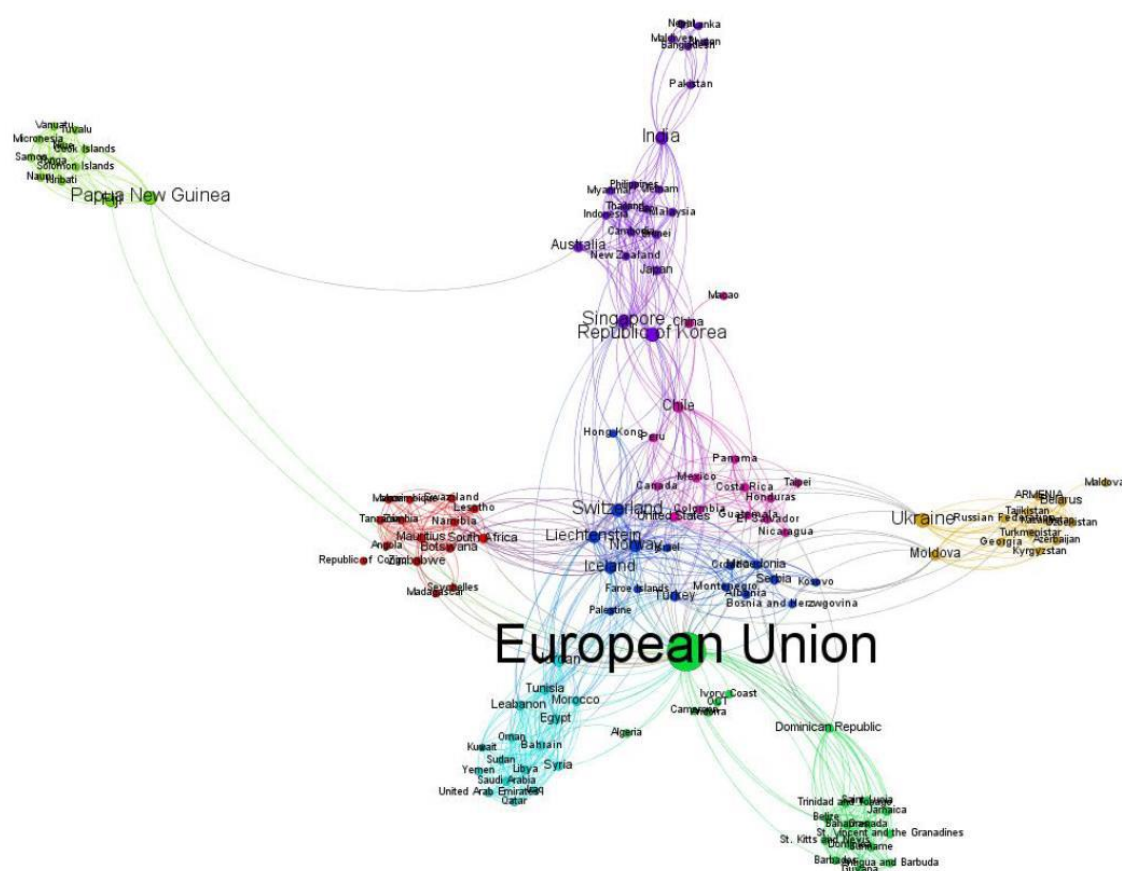


Figure 3. International Trade Agreements Network

Source: Agricultural Trade Liberalization: An International Trade Network Approach. May, 2018.

Closer scrutiny of the trade network map shows that trade is concentrated in regional areas, but there are countries or blocks of countries (such as the EU) that bridge these areas. Furthermore, the size of each node reflects the number of agreements signed by a country and the largest node by far with a network extending to all trading regions across the world, is the EU. This diagram clearly illustrates the potential threat to UK trade with the rest of the world as access to the EU trading agreements will be lost on 1 January 2021.

In general, traditional trade models make the simple assumption that the measurement of trade between two countries is constant and unaffected by any other trade agreements that either of the countries may already have, or may agree in the future, with other countries.

However, as demonstrated above, a more realistic model will acknowledge that a single trade deal cannot be assessed in isolation from other trade agreements held by a country, and this demands a model that can accommodate a network of countries.

Figure 4 below illustrates the relative complexities between two modelling approaches – a Simple Trade Model measures the straightforward impact of one trade deal, whilst a Network Trade Model demonstrates that there are 64 potential trade relationships (discussed further in the Methodology, document 1.1.2) to consider within a relatively simple network of four nations, all of which will have been shown to have an influence on each other.

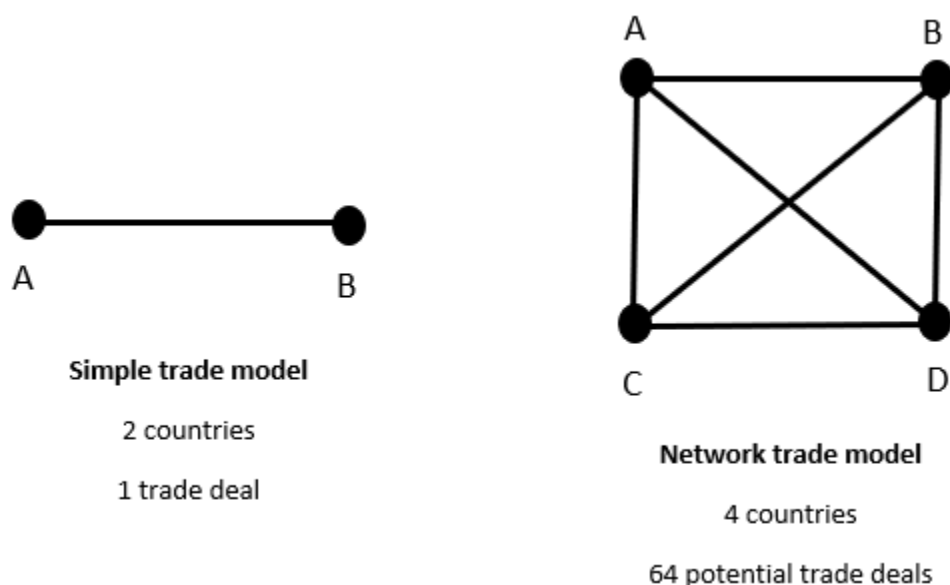


Figure 4. Diagrammatic representation of trade models (May, 2018)

Factors which will affect the outcome of a trade deal include the number of trade agreements with other countries within the network, the relative size of the markets of countries, and which countries in a network are in competition for commodities. It has been demonstrated that results from simple simulations between two countries will change once the trade agreements each partner has with other countries are taken into account (Goyal and Joshi, 2006; May and McCorriston, 2021).

Therefore, the architecture of the trade network around a country has an extremely strong influence on the outcomes of any trade agreement, and a model which can take this into account must be considered to produce results which will more truly represent the nature and complexity of trade deals between nations.

Perfect and Imperfect Competition

In addition, every published model currently undertaking this type of analysis assumes perfect competition in the trade relationship (e.g., FAPRI-UK). This is a significant weakness because the presence of intermediaries (i.e., retailers and food processors) that operate in the supply chain create imperfect competition. Furthermore, models assume that the only goods traded are raw farm products, when in fact the proportion of processed food products traded has a dominating influence on the flow of goods between countries, Hartman et al. (1993) and Qasmi and Fausti (2001). The importance of this point is demonstrated in Figure 5 below, clearly showing the domination of processed food in the UK food export market.

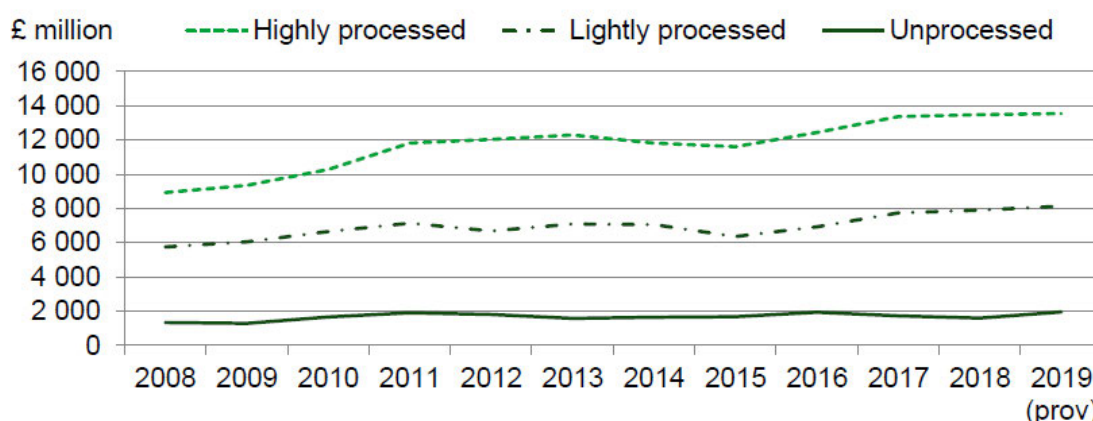


Figure 5. UK Exports of food, feed and drink by degree of processing at 2019 prices

Source: Agriculture in the UK 2019, Defra

Impact assessment of trade agreements on domestic commodity prices, trade volumes and value

The size and power of the intermediaries referred to above gives them control over local market prices paid to farmers and volumes demanded, and the impact and influence of these intermediaries is also reflected on prices paid and net volumes traded in foreign countries. Models currently in existence assume the export of farm produce is direct from farmers, when in fact this is not the case, and therefore taking account these factors is essential and will give a better estimation of the impacts of trade agreements on domestic markets.

The effect of industry and/or sector structure

It is essential that any model used takes account of the existence of intermediaries (for example the supermarkets), and not simply to assume that the entire market consists of producers. It has been widely demonstrated that the impact of intermediaries on the market and supply chain is significant (McCorriston, 2002; Sexton et al., 2007; May, 2016; May and McCorriston, 2021). Models that are unable to take these factors into account will be ignoring a major factor determining the impacts of a trade agreement.

This point is reinforced by demonstrating that the influence of **Commodity Networks** is interlinked with sector structure and the dominance of intermediaries in trade, as shown in Figures 6 and 7 for UK exports and imports of meat.

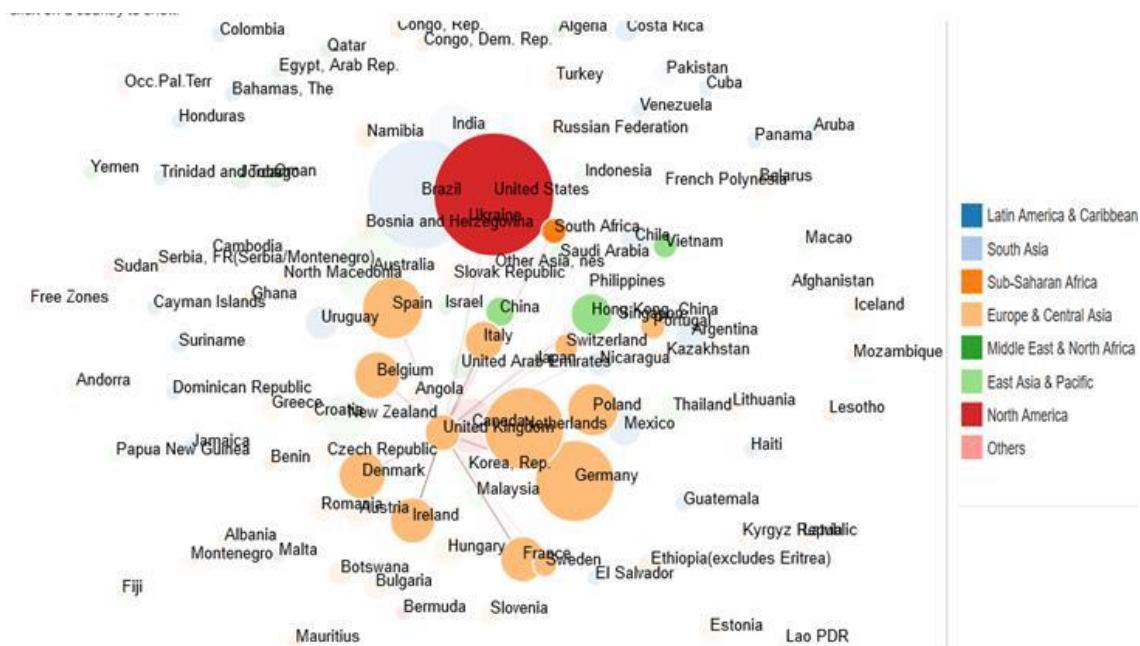


Figure 6. Export flows of meat and edible meat offal from the UK in 2016
Source: World Bank, 2017

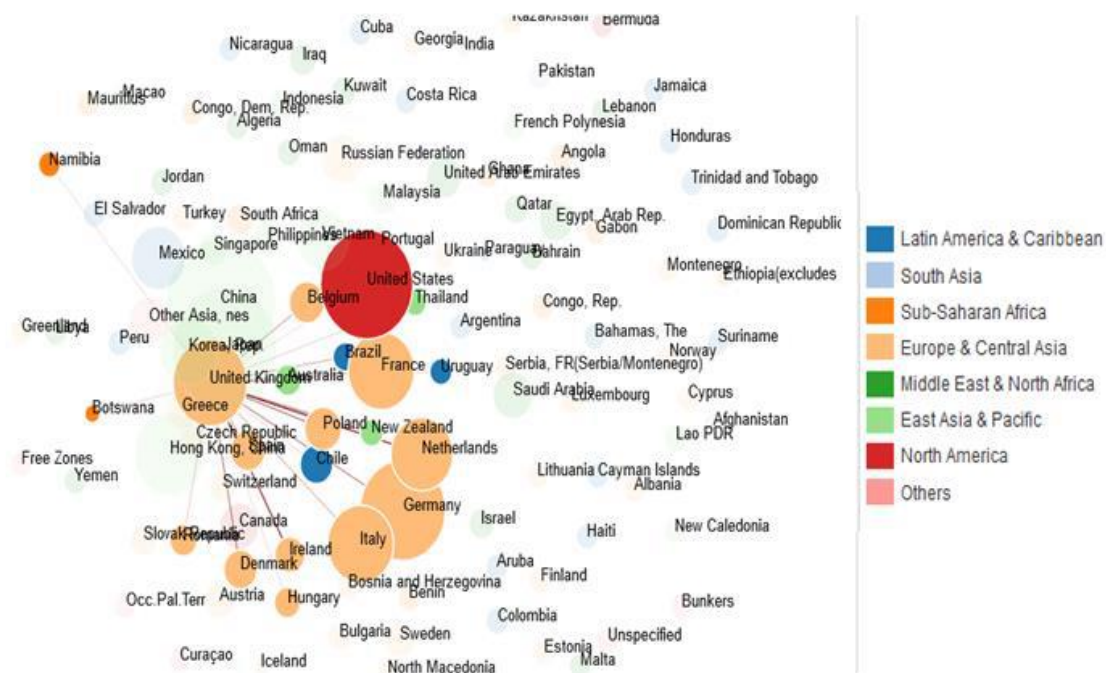


Figure 7. Import flows of meat and edible meat offal to the UK in 2016
Source: World Bank, 2017

Figure 6 measures the export flow of meat from the UK, whilst Figure 7 measures the import flow of meat into the UK. This is important as the size of the nodes in these diagrams represent the export (import) share size in the international market and demonstrate that in this commodity (meat), the UK is a small exporter, but a large importer in relative terms. Measuring market size and the direction of trade between two countries, and the dominance of intermediaries in the market, are essential considerations when assessing the impact of a trade agreement.

In conclusion, in order to achieve a more accurate and meaningful analysis of the level required a model must measure a number of parameters that reflect the complexity of trade networks, differing market sizes, farmers productivity, policy biases, food standards and the degree of imperfect competition caused by intermediaries. The **International Agri-Food Trade Network Model** presented for consideration in this proposal provides an extremely robust and more realistic model for the AHDB to inform food producers in the UK of the impact of trade deals.

1.1.2 Methodology and analysis

The International Agri-Food Trade Network Model

Introduction

Trade models used to provide assessments of agricultural and food policy reforms (such as the partial equilibrium modelling frameworks used in the FAPRI-UK model) are characterised by a number of key assumptions that do not reflect the important dimensions of agricultural and food chains across and between most countries (Devadoss et al, 1993; Soregaroli et al., 2011). This project proposes to use a novel international trade network approach which belongs to a new branch in economics referred to as *economic networks*. The **International Agri-Food Trade Network (IAFTN)** model developed by May (2018) is such a model and will be used to analyse the impacts of trade agreements between multiple countries as detailed below.

Trade networks

The single most influential factor is how models deal with the complexity of trade networks. Traditional trade models make the simple assumption that the flow of trade between two countries is constant and unaffected by any other trade agreements that either of the countries may already have or may agree in the future with other countries. However, this is not the case as a single trade deal cannot be assessed in isolation from the other trade agreements held by a country, and this demands a model that can accommodate a network of countries.

The relative complexities between the two approaches are illustrated in Figure 1 below – the Simple Trade Model measures the straightforward impact of a single trade deal, whilst the Network Trade Model demonstrates that there are 64 potential trade relationships to consider within a relatively simple network of four nations, all of which will have been shown to have an influence on each other.

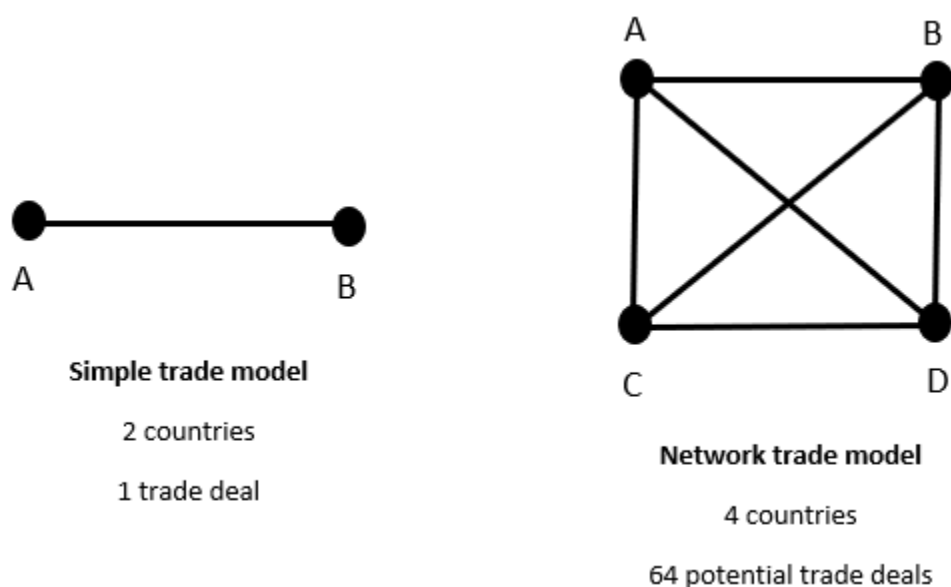


Figure 1. Diagrammatic representation of trade models (May, 2018)

Factors which will affect the outcome of a trade deal include: the number of trade agreements with other countries within the network, the relative size of the markets within countries, and which countries in a network are in competition for commodities. It has been demonstrated that results using a Simple Trade Model will change significantly once the trade agreements each partner has with other countries are considered (Goyal and Joshi, 2006; May, 2016; May and McCorriston, 2021).

The results of trade deal simulations between two countries will be affected by the following factors:

1. The number of other trade agreements held by each country, which determines the relative competitive environment of each country.
2. The presence of intermediaries in the food chain – this includes retailers and food processors, who can have a major impact on the level of products, and in particular the extent to which the market of a product is affected by the level of processing of that product.
3. The attitude of the Governments of each country to providing support to producers.
4. Differing levels of food standards, which through price differentials, can create an unfair balance in a market.

Therefore, the architecture of the trade network surrounding a country has an extremely strong influence on the outcomes of any trade agreement, and a model which can take this into account must be considered to produce results which will more truly represent the nature and complexity of trade deals between nations.

Limitations of existing models

Most notably, standard simple trade modelling approaches assume that domestic and international markets of agricultural food products are perfectly competitive and make no allowance for the existence of firms in downstream stages of food chains. Examples of these approaches are the AGLINK model (OECD, 2015), the FAPRI model (Devadoss et al, 1993), and the WEMAC model (Benjamin and Houee-Bigot, 2007).

However, acknowledging the existence of firms in agricultural and food value chains is essential because:

1. agricultural producers may be subject to buyer (oligopsony) power while consumers are impacted by seller power (oligopoly), and
2. recognising agricultural producers' role in the food chain ties in with the observation that a majority proportion of international trade (up to 70%) is in semi-and processed food products (as shown in Figure 2).

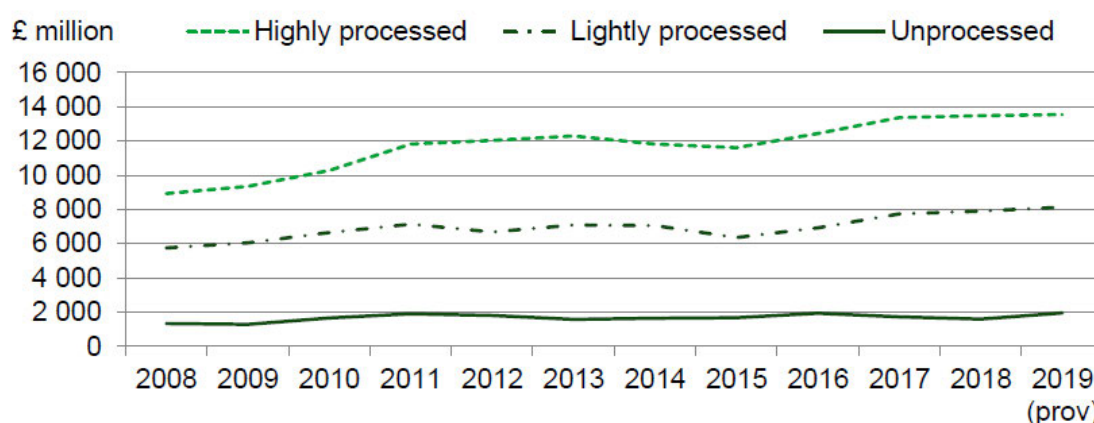


Figure 2. UK Exports of food, feed and drink by degree of processing at 2019 prices
Source: Agriculture in the UK 2019, Defra

These observations indicate several related issues namely,

- i. while it is well-known that trade barriers are high for agricultural products reflecting the bias of government policies, they are even higher for semi and highly processed food commodities.
- ii. Moreover, trade in the agricultural and food sector involves intra-industry trade i.e., two-way trade in differentiated products, and therefore indicate that the metric of assessment of trade agreements is likely to be very complex.

These issues matter in the assessments of trade policy outcomes in the food and agricultural sectors because:

- a) the role of intermediaries and retailers in the food chain ties in with casual observation both in the context of the UK, and
- b) across almost all developed and developing countries. For example, the vertical relationship between suppliers and retailers of fresh and food processed goods in the UK is dominated by nine large retailers, Tesco being the largest of these (Duffy et al., 2003; and White, 2000).

Therefore, the importance of these features of domestic and international markets for agricultural and food products cannot be ignored, and any modelling framework must therefore be able to address potential trade policy outcomes and accommodate the issues highlighted above. The International Agri-Food Trade Network (IAFTN) framework is a unique model which does address these issues.

It also matters how we interpret the outcomes of trade policy. In line with this argument, Sexton (2013) explains that even with modest amounts of market power, welfare transfers between groups can be significant.

The influence of these firms in the trade system has largely been ignored and most of the analysis in this area still uses theoretical and empirical approaches based on the

assumption of perfect competition, resulting in models which ignore this vitally important measure.

The importance of factoring in imperfect competition is demonstrated by Sexton et al. (2006) who showed that incorporating imperfect competition in agricultural trade models also impacts on the distribution of the benefits of trade reform. Their conclusion was that when downstream industries have market power (buyer and/or seller), the gains to agricultural producers may not be as great as those that would arise with perfect competition. They also found that the impact on consumers may also be diluted. The IAFN model accommodates these extremely important factors.

The importance of considering policy bias

Policy biases are defined as deviations from social welfare maximisation with the purpose of favouring determined groups of people or sectors.

Considering policy biases in international trade is extremely important, and it is argued that the lack of progress in a global agreement in agriculture has been attributed to the existence of governments that are politically biased in favour of specific groups within a country. In an extensive review of the literature on the political economy of agricultural policy, Anderson et al. (2013) show that this bias is reflected in the high level of protection provided to farmers through policy intervention.

For example, tariffs that apply to EU food and agricultural imports are considerably higher compared with other sectors, and non-tariff measures are much more significant. This evidence is presented in Figure 3.

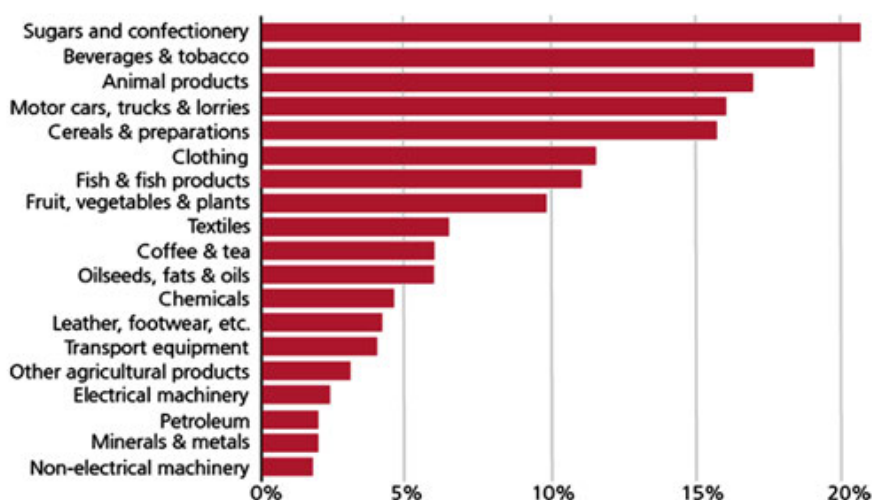


Figure 3. EU Average Final Applied Tariffs by Industry

Source: House of Lords, 2017

However, the politics of agricultural support also extends to the characterisation of the food sector. Both tariffs and non-tariff measures tend to be higher on processed food commodities rather than on bulk commodities and processed food accounts for an increasing proportion of trade in the agri-food sector. The IAFN model accommodates and measures both aspects of policy biases illustrated above.

The importance of considering product differentiation

Finally, trade in the agri-food sector is also made more complex by the existence of intra-industry trade, i.e., the simultaneous export and import of differentiated products. Early work by Hartman et al. (1993) found high levels of intra-industry trade in meat packing,

butter, fluid milk and breakfast cereal, among others. Qasmi and Fausti (2001) found that intra-industry trade of processed food products (e.g., processed cereal, sugar and confectionery, processed fruit and vegetable, and processed meat) increased between USA, Canada and Mexico since the passage of the NAFTA agreement. However, intra-industry trade did not occur in bulk commodities with no processing.

The importance of product differentiation in a trade agreement and the perceived threat to the agricultural industry is demonstrated by this statement from the National Farmers Union,

"We are confident that if farmers are allowed to compete on fair terms, we can lead the way when it comes to sustainable, high welfare and climate-friendly farming. However, British farmers need to know that their businesses won't be undercut by sub-standard food imports, and the British public needs assurance that the food they buy has been produced to those same high standards, regardless of where it has come from." (NFU, 2020)

The IAFTN model is unique in its ability to measure the impact of product differentiation on commodities.

Overcoming simple trade model limitations with the IAFTN model

The IAFTN model offers the flexibility to incorporate these aspects of the food sector that characterise both the UK and its major (potential) trading partners in the assessment of future UK trade agreements post-Brexit.

The IAFTN model is an extension of a trade network model developed by Goyal and Joshi (2006) and has been peer-reviewed in May (2018), May and McCorriston (2018), and May and McCorriston (2015). This extended version was designed to accommodate the key characteristics of the agricultural sector described above, being:

- (1) the existence of intermediaries in the supply chain with significant market power,
- (2) policy biases,
- (3) intra-industry trade, and
- (4) product differentiation.

This model has the ability to conduct simulations by considering these characteristics simultaneously, which is something alternative modelling approaches cannot offer.

How these characteristics are incorporated into the IAFTN model is outlined in the following section. The key differentiating components of the IAFTN model over any other existing model is its flexibility in accommodating the effects outlined above, either individually or jointly, and to ascertain the extent to which the outcomes of trade agreements will depend on the characteristics of agri-food chains in each country, and the nature of trade patterns.

The Methodology

The International Agri-Food Trade Network model

In the IAFTN model, countries are represented in the network as nodes, and trade agreements as links. Each country is composed of three economic groups: consumers, intermediaries and the farming sector.

Governments are assumed to maximise social welfare, which is represented by a weighted welfare function that includes consumers' welfare (i.e., consumer surplus), farmers' welfare (producer surplus), and intermediaries' welfare (i.e., profits).

Policy biases are captured by the weightings given to the objective function of the government, known as the weighted welfare function. The three economic groups are included in this function to assess their contribution in terms of social or national welfare. Intermediaries buy agricultural goods from the farming sector and export these goods to the domestic and international markets. The existence of intermediaries creates two types of (potential) market imperfections:

1. Because powerful intermediaries are the firms who export agricultural and food processed goods, it is assumed that the markets where they compete are oligopolistic

(i.e., there are few competitors in comparison to the case of perfect competition which is the origin of the imperfection).

2. Intermediaries exercise monopsonistic power in the interphase farmers-intermediaries. That is, the model allows for buyer power between intermediaries and agricultural producers.

The IAFTN framework has the flexibility to vary the extent of market power exercised.

Product differentiation is introduced as a parameter in the domestic demand for the commodity in each country (Melitz and Ottaviano, 2008). Allowing for product differentiation offers a departure from assuming product homogeneity, the implications of which can determine the extent of the trade impact that would arise with any trade agreement.

The IAFTN model is extremely complex in mathematical terms, a consequence of introducing intermediaries with market power into the supply chain. It is for this reason that it considers only four countries/regions which are interpreted as the main competitors for each commodity (e.g., the UK, US, New Zealand and Rest of the World). Nevertheless, four countries can form a total of 64 potential trade agreements (as shown in Figure 4), accounting for the extremely high level of complexity in the model.

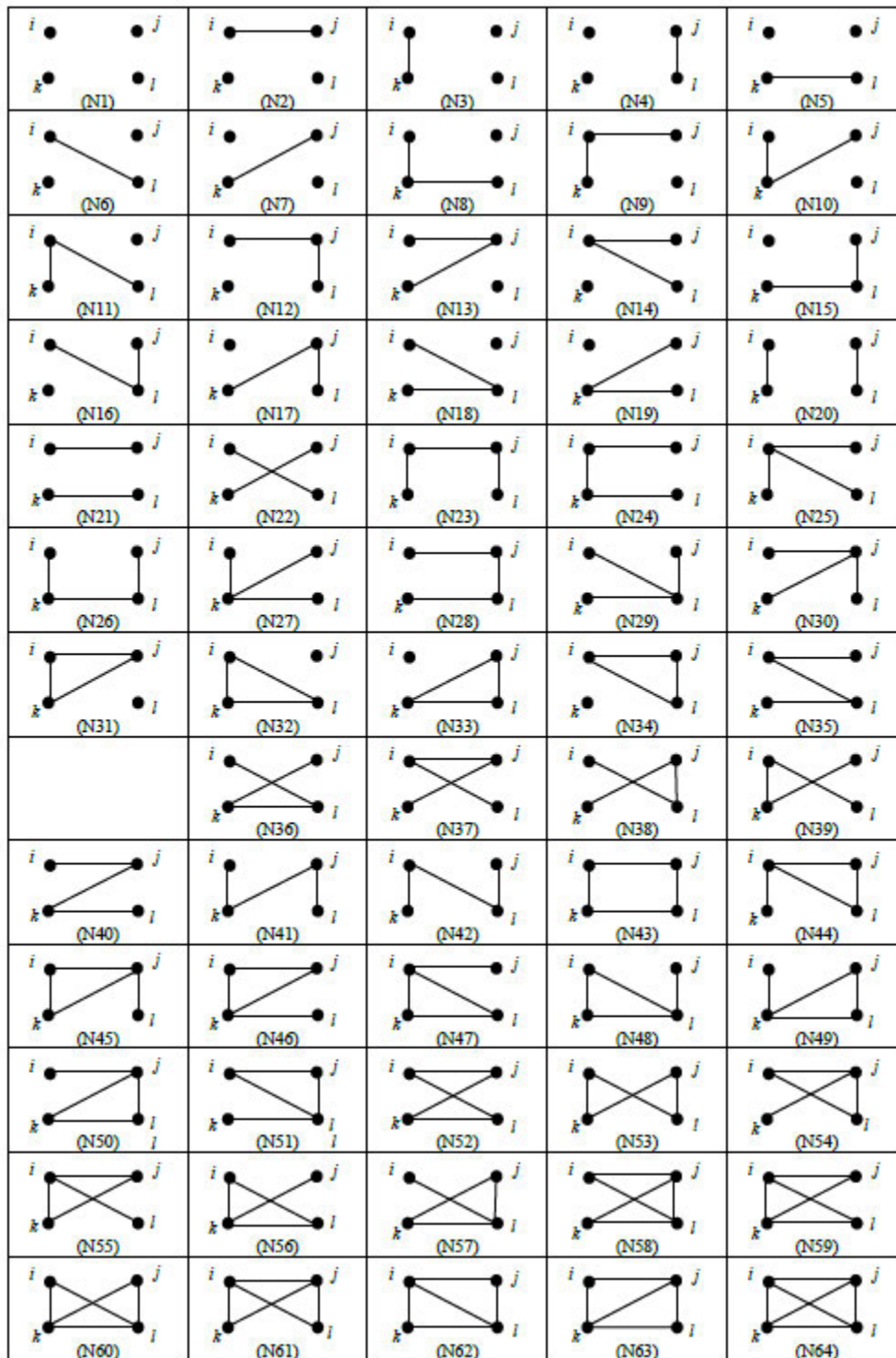


Figure 4: Potential four country combinations of trade agreements modelled in the International Agri-Food Trade Network model.

The Trade Deal Analysis process

DATA ENTRY

1. Determination of parameters

Aim: To establish the scenario (benchmark) for the trade deal network to be studied and confirm parameters to be included.

The following additional factors and parameters are considered (all may not be relevant to every situation):

- a. Determine the network structure for the scenario - identification of main trading partners of the country with whom a trade deal is signed or proposed.
- b. Analyse each competitor country within the network structure and identification of key characteristics.
- c. Determine the market size for each commodity - the relative market sizes of commodities between countries is important and will affect the willingness of a country to open up their market.
- d. Elasticities of farming supply – to determine the level of imperfection by intermediaries.
- e. The level of buyer and seller power in each country.
- f. Productivity differences in the agricultural sector between countries.
- g. Type of trade patterns - e.g. relatively small level of exports from UK to NZ, versus high level of NZ exports to the UK, so calibration is needed to ensure the model reflects the current situation.
- h. Identify possible policy biases - e.g. African countries tend to tax agriculture, developed countries offer subsidies to agriculture.
- i. The weights on each government's welfare function.
- j. The degree of product differentiation of the traded product – considering the relative product quality and welfare standards.

2. Determination of values

Aim: To establish values of key parameters to be applied in the International Agri-Food Trade Network model.

Including:

- a. Establish values of parameters based on recent research and data that reflects the current situations in the countries within the network.
- b. Establish and test the assumptions made and map model application path.

3. Populate model

Agreed parameters entered into the IAFTN model.

4. Data calibration

Calibration of data entered into the model and adjustment of values as required.

Due to the complexity of the model, calibration is completed at the single commodity/sub-sector level.

5. Run simulations for the draft report.

Steps 4 and 5 of this process are reviewed for quality assurance.

OUTPUTS

6. Results checking

Check outputs and test any unusual results by cross-checking and running different simulations. Sensitivity analyses is undertaken in each assessment of potential trade agreements to assess the extent to which the outcomes and desirability of trade

agreements depend on these characterisations of the food chain and the objectives of government policies towards the agricultural and food sectors. Outputs are reviewed for quality assurance.

7. Explanation of results & technical report delivery

Briefing of AHDB staff to assist with interpretation of results. This will include the delivery of a draft technical report outlining parameter assumptions and key findings for each trade analysis undertaken. Post-AHDB discussion and review of draft outcomes, a Final Trade Analysis report will be delivered for each trade agreement analysis undertaken. The results are dependent on the parameters agreed at the input stage. Typically for each commodity/sector the technical report will include:

1. Change in percentage of the price paid to the farming sector in each competitor country.
2. Change in percentage of the output produced by the farming sector in each competitor country.
3. Change in percentage of the price that the intermediary of each country receives in the domestic market.
4. Change in percentage of the commodity sold by the intermediary of each country in the domestic market.
5. Change in percentage of the price obtained by the intermediary of each country in foreign countries (i.e., export price).
6. Change in percentage of the output exported by the intermediaries of each country (note that this also informs about imports from competitor countries).
7. Change in percentage of consumer surplus, profits made by the intermediaries, and producer surplus in each country.
8. Change in percentage of social welfare in each country.
9. The stability of a trade agreement and possible evolution paths from this agreement.
10. A sensitivity analyses on the determinants of the outcomes of potential trade agreements.

Conclusions

The proposed IAFTN is a modelling approach that considers a number of features that are present in the agri-food sector (e.g. intermediaries with market power in the supply chain, intra-industry trade, policy biases, and farmers asymmetry in productivity, among others). This makes the IAFTN model unique and different from other existing approaches that are based on the standard assumption of perfect competition. This allows the IAFTN far more flexibility in terms of the ability to predict trade outcomes and to assess these predictions under different scenarios and consider the real and different features of the sector.

In addition, the IAFTN can not only make predictions that are much more closely aligned with the current market structure of the agri-food sector, but it can also assess the stability of a new bilateral agreement, and possible posterior trade evolution paths.

We believe that the **International Agri-Food Trade Network model** will meet and exceed the research objectives of the brief and give the AHDB an unprecedented level of insight and confidence in producing trade agreement impact reports for their levy payers and to the broader agricultural industry.

1.1.3 Project Plan

The UK is about to embark into a new era of international trade, with (at the time of writing) no certainty regarding the continuance of trade with the EU on the same basis as that enjoyed whilst a member of the European Community. Close scrutiny of the implications of trade deals agreed in the future is essential so that the industry can prepare itself for what could be a period of significant change.

All economic models by definition have to make assumptions about the environment which they are scrutinising. In something as complex as world trade there are so many different factors, both domestic and international to consider. It stands to reason that the more factors that are considered the more reliable the data produced will be, something that has been demonstrated at length in Sections 1.1.1 and 1.1.2.

The focus of this project is recognition that to be successful an effective and dynamic two-way working relationship is essential. Harper Adams University recognises that it is extremely difficult to specify in a project brief exactly how the relationship should function, and likewise, when submitting a bid specifying for example, a number of meetings that may take place, puts significant restraints on building a successful working relationship.

What is beyond doubt is that both parties have the common objective of producing a series of reports which will be widely recognised by the agricultural industry and policy makers as significant work and provide stakeholders reliable information about trade deals to plan for the future. It is only by producing reports of a high standard, that the reputation of both organisations will be maintained. Harper Adams staff seek to continually enhance the research output of the University by submitting publications aimed at top-level academic journals and therefore will be working hard to ensure that the rigour and quality of the methodology and data used in this proposal meets the exacting requirements to be recognised at an international level.

The **International Agri-Food Trade Network (IAFTN)** model takes into account factors and parameters affecting trade agreements that are far beyond the capacity of every other model currently available, and as such provides the foundations to produce the level of report required. The quality of the output will be defined by the quality of the information used to parameterise the model, and it is here that the working relationship between AHDB and HAU will be defined. This proposal has been formed on the basis that, as well as determining the parameters to be included, there will be a high level of information and data provided by AHDB staff, who by knowing what data goes into the analyses and why it is needed, will be far better equipped to interpret the results and produce high quality reports for their levy payers and stakeholders.

The importance of meeting the deliverable outcomes of the project are well recognised. It should also be recognised that the unique advantages and level of accuracy afforded by the IAFTN model, also means a level of complexity that has not been seen before.

It is proposed that the priority will be to work closely with AHDB staff to produce two reports per year. Whilst it is recognised that the AHDB seek to be able to respond quickly to changing scenarios, due to the complexity of the model, once the parameters are agreed and entered into the model, a period of time will elapse before a full set of results for all 6 sectors is produced. However, this does not preclude alternative scenarios from being analysed, and following further discussion and agreement, it may be feasible to run more limited (in terms of the various sectors studied) scenarios as specified.

Harper Adams wants to clarify that they do not wish to exclude AHDB staff from involvement in the running of the IAFTN model, but the exceptional complexity of the model and time required to carry out the calculations provides for little opportunity to involve third parties within certain stages.

AHDB Staff Development and Engagement

What is essential to the project is the level of involvement by AHDB staff in determining the parameters and data for entry into the model. This will by definition ensure that when the results are produced there will be a greater level of understanding and make interpretation easier for AHDB staff to write industry reports.

However, in order to be able to maximise this unprecedented level of participation in this highly complex work, AHDB staff involved must be able to demonstrate an advanced level of knowledge in Econometrics and Economic Policies and Trade. This would form the basis of a longer-term programme of upskilling AHDB staff, leading potentially to higher qualifications. The costs of this upskilling is not included as part of this proposal and requires separate negotiation.

Development of the IAFTN model to take account more of parameters influencing international trade will be taking place alongside the execution of this project. There is an opportunity for the AHDB to influence and contribute to the development of this ground-breaking work by considering sponsorship of PhD studentships or further research projects.

Detailed stages in Trade Analysis

The table below indicates in detail the stages of production for each resulting Trade Analysis Report. The stages indicate the high degree of integration of AHDB staff into the scenario development, model parameterisation, and finalisation of output stages. The deliverable outcomes of this project are two Trade Analysis Reports per year at an assumed six-monthly interval. Although this is subject to negotiation with AHDB at the project's inception meeting, at regular project update meetings, and at the annual project review meeting. External Quality Assurance of all inputs and outputs for each trade analysis will be provided by [REDACTED], which will ensure all analyses are rigorous and of a high standard. The Project Gantt Chart below indicatively details the expected timing of the sequence of work over the entire project period, including collaboration with relevant AHDB staff and the delivery of a technical Trade Analysis Report for each trade agreement analysed.

| Stage | Item |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | <p>Determination of parameters</p> <p>Aim: To establish the scenario (benchmark) for the trade deal network to be studied and confirm parameters to be studied.</p> <p>Including:</p> <ul style="list-style-type: none"> a. Determine the network structure for the scenario b. Analyse each competitor country and identify key characteristics c. Determine the market size for each commodity d. Elasticities of farming supply e. Type of trade patterns |

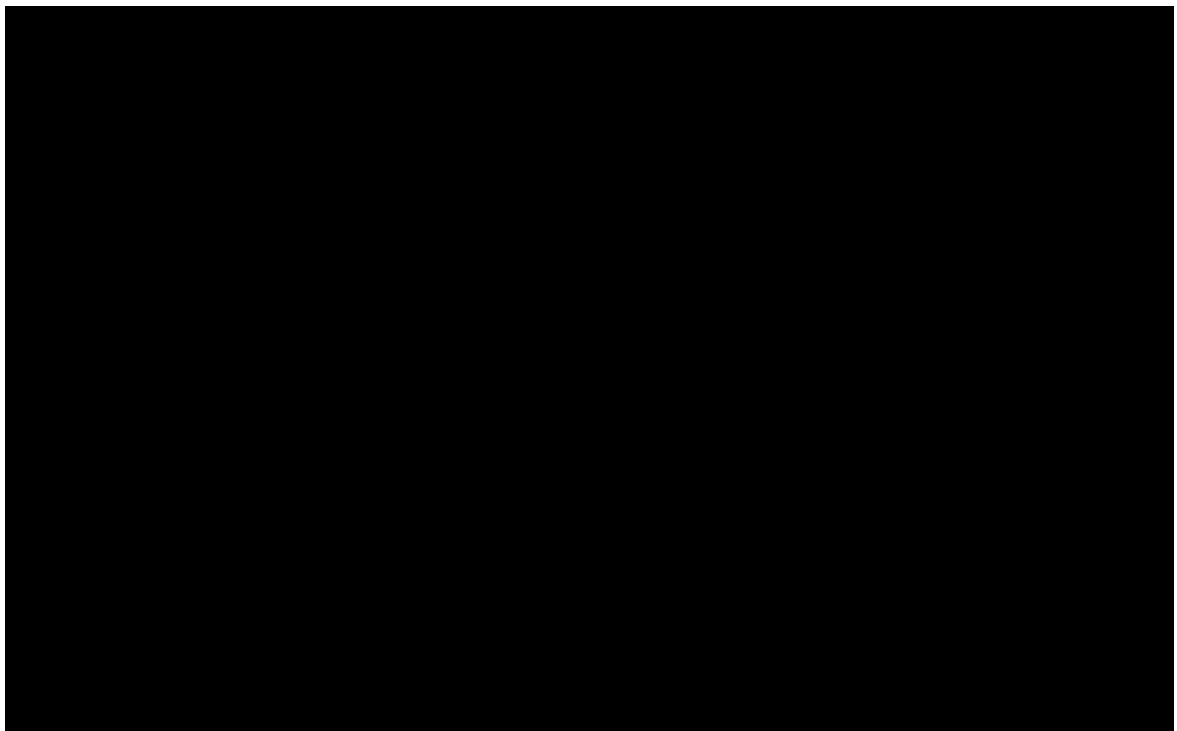
Data management processes

The Harper Adams University policy is that all research activity is accurately and thoroughly recorded in a way that is robust, comprehensive and auditable. Harper Adams University maintains a locally managed IT infrastructure. Data is stored synchronously in two disparate locations on site and is periodically backed up to a third. All server and storage infrastructure

have planned maintenance windows which allow the application of system updates within a safe period after their release by the vendor.

User account lifecycles are linked to student/staff records and HR systems to ensure accounts are only live based on a student/employees education/employment status and permissions are limited to the appropriate level based on their role.

A unified threat management firewall platform provides perimeter security and controlled access to services and has its definitions updated automatically multiple times per day. All desktop, laptop and servers have an antivirus package installed, which again is continuously being updated. Should a problem be encountered by a device an automated alert is sent to the Service Desk for investigation. All email messages are scanned through a commercial email security gateway to minimise associated risks. All laptops and hard drives are encrypted and any USB connected devices containing sensitive data are encrypted. Any confidential data is managed in accordance with the GDPR policy and processes.



Risk Management

The Project Manager and project team will manage risk by monitoring and updating the following risk register on a monthly basis. There will also be a regular communication with the broader team members, including relevant AHDB staff, to identify, log and address emergent risks.

| Harper Adams University | | | Project Name: Quantitative modelling for post EU Exit trade deals (UK Agricultural Industry) | | | Date of last review: 5/11/20 | |
|-------------------------|-------------|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|------------|------------|------------------------------|--------------|
| No | Category | Description | Impact | Likelihood | Risk Score | Responsible person | Organisation |
| 1 | Management | Lack of communication between Project Partners & AHDB | 5 | 1 | 5 | Project Manager | HAU |
| 2 | Management | Key team member incapacitated | 5 | 2 | 10 | Project Manager | HAU |
| 3 | Commercial | IP Issues with the data generated during the project | 4 | 1 | 4 | Project Team | HAU |
| 4 | Operational | Loss of research data resulting from ITC issues or human error | 3 | 1 | 3 | Project Team | HAU |
| 5 | Operational | Delayed or insufficient definition of trade deal scenarios limits parameterisation and calibration of APTN model | 4 | 2 | 8 | Project Team | HAU |

HAU is well placed to mitigate any potential risks and deliver the outputs and outcomes scheduled. The Risk Register will be a 'live' document that acts as a communications and risk negating tool for all stakeholders involved.

Risk Matrix

| Risk | | Impact | | | | |
|------------|---------------|----------|-----|-----|------|------|
| | | Very Low | Low | Med | High | Very |
| Likelihood | Very Unlikely | 1 | 2 | 3 | 4 | 5 |
| | Unlikely | 2 | 4 | 6 | 8 | 10 |
| | Feasible | 3 | 6 | 9 | 12 | 15 |
| | Likely | 4 | 8 | 12 | 16 | 20 |
| | Very Likely | 5 | 10 | 15 | 20 | 25 |

1.1.4 Project Team

The Harper Adams University (HAU) led project team have extensive experience in economic modelling. Individuals within the team have led and been involved with numerous international economic research projects focused on trade implications and the impacts of agri-environmental policy and innovation. Notable examples are the work of [REDACTED] in a DEFRA funded project assessing the environmental impact of liberalising agricultural trade (with special reference to EU Mercosur) and his novel PhD on *Agricultural Trade Liberalization: an International Trade Network Approach*; the Transparency of Food Pricing (TRANSFOP) EU funded project led by Prof [REDACTED] (University of Exeter), and the ACIAR funded project looking at the economic assessment of grassland policy in China and Mongolia (Prof [REDACTED]).

The project team includes:

Professor [REDACTED] has over 20 years' experience in farm management consulting, extension and research. He has a research and project management background in agricultural economics and farming systems, with extensive experience managing international multidisciplinary projects across all levels of government, as well as University and industry commissioned projects. His core disciplines are in farm management economics, bioeconomic modelling of agricultural systems, and business decision making and management. He is currently involved in economic and agri-

environmental policy research in the UK, China, Mongolia and Australia. He will be the project director and will oversee project management and AHDB engagement.

Dr Daniel May is an expert in international trade modelling under imperfect competition. Dr May has developed a novel international trade network approach which belongs to a new branch in economics referred to as *economic networks*. The originality and novelty of his work has been published in peer-reviewed academic journals and presented in the most prestigious conferences in Agricultural Economics, such as the Congress of the European Association of Agricultural Economists and the International Conference of Agricultural Economics. [REDACTED] is currently working with Professor [REDACTED] on simulations based on the international trade network approach under imperfect competition, with a joint article to be presented at the 2020/21 EAAE Congress. [REDACTED] will be the lead analyst and be responsible for the modelling of trade and sectors under the defined scenarios using the novel International Agri-Food Trade Network model.

[REDACTED] has nearly 40 years of working in the agricultural industry as a farm consultant, agricultural training specialist, and as a University lecturer. In each of these areas he has had responsibility for leading several significant projects and initiatives and has extensive skills in Project Management. In his current position as [REDACTED] [REDACTED] he is group leader and manager of the [REDACTED] [REDACTED] and is responsible for the management and organisation of the department's successful teaching programmes in agribusiness management. He will lead the day-to-day management of the project and AHDB engagement, and will provide support in reporting and meeting project deliverables.

[REDACTED] is a [REDACTED] at HAU with research interests in agricultural economics, agri-tech economics, educational economics, and macroeconomics. He has worked specifically in identifying the relationship of several types of spending with economic growth; and has also led projects on price transmission and market efficiency in several commodities. [REDACTED] has been involved in several research projects in China, Egypt, Lithuania, UK and Greece. He will provide supporting technical expertise to the analysis of trade agreements and sector analyses.

[REDACTED] is a Professor of [REDACTED] at the University of [REDACTED] research focus is on commodity and food markets, with a particular emphasis on trade and competition issues. Related research covers FDI and taxation issues and the links between environmental policy and trade. He has presented his research widely including invited papers throughout Europe, North America and China. His research has been published widely and in 2008 was awarded the [REDACTED] [REDACTED] for his paper on state trading published in the *European Economic Review*. [REDACTED] will provide the external quality assurance for the delivered analysis of trade agreements and sectors through pre- and post-modelling assessment of scenarios, model parameterisation and outputs.

Project Management

The project will be managed and coordinated by the [REDACTED] [REDACTED] [REDACTED] Harper Adams University. [REDACTED] will be the main point of contact for AHDB. Should [REDACTED] be unavailable, [REDACTED] will act as an alternative point of contact and will take over the management of the project. He will be supported by [REDACTED]

The collaborating staff from AHDB will be regularly engaged via teleconference and emails during the development of scenarios and preparation of trade analysis reports as outlined in documents 1.1.2 Methodology & Analysis and 1.1.3 Project Plan.

Regularly scheduled meetings with AHDB and within the project team will also provide confirmation that work is running to time, or warning if it is not (with a plan to bring the project back on track); work to be completed and any issues, risks or problems.

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Development of the International Agri-Food Trade Network model to take account of additional parameters influencing international trade will be taking place alongside the execution of this project. There is an opportunity for the AHDB to influence and contribute to the development of this ground-breaking work by considering sponsorship of PhD studentships or further research projects.

Harper Adams University Organisational Approach to Project Management

Within Harper Adams University, the Deputy Vice Chancellor has overall responsibility for the Research and Knowledge Transfer Strategy and the Research Coordinator and the Knowledge Transfer Coordinators have operational responsibility for its delivery. The heads of each Academic department have responsibility for ensuring that staff and facilities are available to support each project. The Principal Investigator (Project Director) is responsible for day to day progress, achievement of milestones and final delivery. When planning a bid for Research, the Principal Investigator, in consultation with their Head of Department, ensure that they have the capabilities, expertise and time to conduct the project, including the preparation, by the required dates, of any interim or final project reports. The Principal Investigator also considers these factors when engaging other members of staff to undertake work on the project.

This consultation forms part of the Research Proposal Checklist that Harper Adams has in place to ensure that resources and facilities are available in order for any project to be completed as prescribed by the Funder.

Harper Adams also has a dedicated Research Grants Administrator available to assist with any non-technical aspects of the project from inception to completion. This includes the preparation of all pre- and post-award documentation. All financial aspects of a project are handled by the Assistant Management Accountant.

The University is extremely proactive in its approach to handling research contracts, from inception to completion. The Principal Investigator is encouraged to consider the management of the contract in its entirety whilst putting together the initial application. This also includes ensuring that all investigators have a full understanding of the work that is required of them in order to fulfil the Scope of Work for the project. These considerations

form part of the Research Proposal procedures that are in place, to ensure that time and resources are available for the duration of the contract, and to ensure that there is coordinated management of any collaborators.

The normal course of action that the University takes when setting up a new project, is to arrange and undertake an initial inception meeting between the Principal Investigator and the sponsoring organisation, along with any other key investigators from the University or collaborators. This allows key partners to ensure that they have full understanding of the requirements of the contract at the outset, to avoid the need to return to the sponsoring organisation at a later date for clarification on points that can be discussed and agreed at the outset. Beyond this point, the University is happy to agree to meetings as requested by the sponsoring organisation to update on progress as required. Alternatively, the University is happy to work independently on the project, and only seek clarification at key points in the project. This is done by agreeing a set timeline with all interested parties, and setting milestones for tasks to be carried out by. This allows all investigators to be comfortable in the knowledge that there is a clear strategy to address the requirements of the project in hand. The University also encourages open discussion within the working group, and regular project meetings throughout the course of the project, to facilitate any queries that investigators may have with regards to their allocated work package.

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