REQUEST FOR PROPOSAL

RFP TITLE: VOLUME OF SOY PRODUCT USE IN GLOBAL AQUAFEEDS STUDY

RFP CONTACT:
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Email: csutter@ussec.org

PROPOSAL DEADLINE:

INTRODUCTION:
The United States Soybean Export Council (USSEC) requests proposals to assist in the continued development and implementation of its global aquaculture program.

Through a global network of international offices and strong support in the U.S., USSEC helps build a preference for U.S. soybeans and soybean products, advocate for the use of soy in feed, aquaculture and human consumption, promote the benefits of soy use through education and connect industry leaders through a robust membership program.

PURPOSE OF RFP:

USSEC’s standard practice is to RFP every 3 years. This helps to insure we are staying abreast of current technology and fair market value. We encourage all that are interested to apply, including current contractors.

This RFP is requesting proposals for a comprehensive study -- based on the latest available data -- that will provide a more accurate estimate of global aquafeed production and current soy inclusion rates, in order to project and measure the use of U.S. soy as the aquaculture industry moves towards attaining its growth projections for the next 5-10 years. The study should address as accurately as possible the questions presented below under the Objective section.

BACKGROUND & PURPOSE OF PROJECT:

According to a 2014 report by the Food and Agriculture Organization (FAO) of the United Nations, increased investment in the aquaculture sector - particularly in productivity-enhancing technologies including in the areas of water use, breeding, hatchery practices and feedstuff innovation - should boost farmed-fish production by as much as 4.1 percent per year through 2022. The significant growth rate of the aquaculture industry was also reported in a 2010/2011 study commissioned by the United Soybean Board (USB) Aquaculture Initiative, which indicated the global...
aquaculture market is expected to grow by over 20 mmt in the next decade, with 13 mmt attributed to additional production of fed species. The USB study concluded that this increase in aquaculture demand would stimulate corresponding increases in demand for soy products, to include an additional 4.1 million tons of Soybean Meal (SBM) demand and an additional 1.46 million tons of feed grade advanced soy protein demand in the next 10 years.

While the freshwater aquaculture sector is forecast to continue to grow in select regions of the world, economists increasingly point to the marine fish and shrimp culture industries as the drivers for aquaculture industry growth in the future. This is in response to declining catch from the world’s ocean capture fisheries, significant growth in the global middle class population and their wealth, and increasing demand for seafood products by health conscious consumers. These cultured marine fish and shrimp species are largely carnivorous and cannot tolerate high levels of carbohydrates in feed, specifically the oligosaccharides, which necessitate the use of higher protein feed ingredients such as Soy Protein Concentrate (SPC) and other advanced soy protein products.

Alltech, a major producer of animal feeds, conducts an annual survey for an estimated overview of the global feed industry. Their latest survey in 2016 estimated a total global animal feed production of 995.6 mmt from 32,341 feed mills. Of this total, they estimate a global aquafeed production of 35.47 mmt, half of which is produced in China, which is responsible for 60 percent of global aquaculture production.

Although these industry growth rate projections and estimated feed volume overviews are in the public domain, it has been difficult to obtain a clear picture of the overall volume of soy use in aquafeeds. This can be due to several factors:

1) The proprietary nature of commercial feed mills and their unwillingness to share information on feed ingredients and formulations;
2) The sheer number of different species being cultured worldwide, each with individual nutritional needs and differing soy inclusion rates in aquafeeds;
3) Incomplete reporting of aquaculture production volumes by countries in FAO studies.

Objective:

In order to measure the volume and growth of U.S. soy ingredient use in aquafeeds for cultured species, it is necessary to establish a benchmark of current global aquafeed production and soy inclusion rates. This will help to ensure that the Global Soy in Aquaculture Program of the U.S. Soybean Export Council can best position the U.S. soy industry to meet increased demand for high quality aquafeed ingredients while the aquaculture industry is rapidly scaling up.

This RFP is requesting proposals for a comprehensive study -- based on the latest available data -- that will provide a more accurate estimate of global aquafeed production and current soy inclusion rates, in order to project and measure the use of U.S. soy as the aquaculture industry moves towards attaining its growth projections for the next 5, 10, 15, and 20 years. The study should
address as accurately as possible the following questions and show data for years: 2000, 2010, 2015, 2020, 2025, 2030 and 2035:

1. **Volume of Global Aquaculture Production**
   a) What are the production volumes for major fed aquaculture species
   b) In which countries/regions are they being produced?

2. **Volume of Global Aquafeed Production**
   a) Currently, how much aquaculture feed is being produced on a global scale for commercially produced, fed species?
   b) What countries are the major aquafeed producers?

3. **Estimates of Soy Inclusion Rates and Soy Ingredient Volume**
   a) What are the best estimates for soy inclusion rates in feeds for major cultured species?
   b) What is the volume of total soy usage in aquaculture feeds for major cultured species?
   c) Estimate the origin of soy; U.S. soy versus soy grown in other countries.
   d) What are the soy products being utilized as aquafeed ingredients, and what are the best volume estimates of individual soy products used?

4) **Future Projections**
   a) What are the soy products that are most likely to see increased demand?
   b) What geographic regions are most likely to see increased demand for soy aquafeed ingredients?

**TARGET AUDIENCE:**
We will use this data to better know the global situation for aquaculture, aquafeeds and the future demand for ingredients, specifically U.S. soy.

**SCOPE (SERVICES) OF WORK:**
See above.

**DELIVERABLES:**

<table>
<thead>
<tr>
<th>Completion Date</th>
<th>Description of Deliverables</th>
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<tr>
<td>1 month after executed contract</td>
<td>Status report and preliminary information; follow up conference call with Colby Sutter after submitting the afore mentioned items for discussion</td>
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No later than August 16, 2017 | Provide the draft of the final comprehensive report, with the above information objectives addressed, for review by USSEC. USSEC will have opportunity to ask for clarification or further information.
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No later than August 31, 2017 | Provide the final comprehensive report, with the above information objectives addressed.

**PROJECT TIMELINE:**

*Our expectation is for this project to last from July 1, 2017 to August 31, 2017. Of course if it can be completed earlier that is great. We are asking that the Project Proposal include details about what the proposed timeline and scope would look like.*

**RFP TIMELINE:**

- **RFP Distribution:** May 3, 2017
- **Last Day to Submit Questions:** May 15, 2017 by 5:00PM Central Time
- **Project Proposals Due:** May 18, 2017 by 5:00PM Central Time
- **Selections Made By:** June 2, 2017
- **Prospective Contractors Notified By:** June 7, 2017

**REQUIRED INFORMATION:**

- Experience
  - Length of experience
  - Major emphasis of services provided
  - Nature of past and present clients
- Detailed Experience
- Detailed Budget
  - Including: What is the fee for services? Specifically:
    - Flat rate.
    - Itemize standard billing rates and estimated hours with a proposed fee cap.
    - Standard billing rates for work performed the estimated hours.
- Detail reimbursable expense categories (billed at cost with no markup) and estimate expenses for each; meetings and travel in accordance with USB policy.
- Travel expenses for required meetings will be at actual cost according to USSEC’s travel policies.” We will use the same figure for all respondents.
- Please note if you have any special requirements that need to be considered.

- Provide the names and contact information for other similarly sized clients for reference purposes.

- Describe how and why the individual is qualified to provide these services and why our selection of the individual is the best decision the committee could make.

**BUDGET DETAIL (U.S. Dollars)**

- Develop a preliminary estimated budget total and indicate major components. Please avoid a large miscellaneous category. (USB generally does not pay for institutional overhead expenses.)
  - Subcontractors/Professional Fees: $ XX,XXX
  - Meetings & Conferences: $ XX,XXX
  - Travel: $ XX,XXX
  - Printing: $ XX,XXX
  - Postage: $ XX,XXX
  - Equipment Rental: $ XX,XXX
  - Subscriptions: $ XX,XXX
  - Other Operating Expenses: $ XX,XXX
  - Total Project Budget: $ XX,XXX

**INSTRUCTIONS:**

1. Please email the proposal to csutter@ussec.org and amoody@ussec.org by May 18, 2017

2. Instructions to Prospective Contractors:

   A. Proposals must contain at a minimum the specific criteria listed in the Request for Proposal:

   1. A description of the Prospective Contractor’s capabilities, resources and experience. Emphasis should be placed on experience related to this RFP.

   2. Resumes for each of the Prospective Contractor’s personnel assigned to work directly on the implementation of the contract.

   3. References from a minimum of two clients who have used your services for similar project.

   4. Proposals should be no longer than 10 pages (8 ½” x 11”).
NOTE: Respondents are hereby notified that proposals will be duplicated for internal review only. Every effort will be made to maintain confidentiality of all information presented. The appropriate representatives from staff and legal counsel will review proposals. Proposals will not be returned.

5. USSEC reserves the right to reject any proposal that is in any way inconsistent or irregular. USSEC also reserves the right to waive proposal defects or deficiencies, to request additional information, and/or to negotiate with the Prospective Contractor regarding the proposal.

6. Prospective Contractor agrees to comply with the provisions of Equal Opportunity, as expressed in Attachment A copied below.
SUPPLEMENTAL INFORMATION AND BACKGROUND USSEC

BUILDING A PREFERENCE FOR U.S. SOY

USSEC's strategy can be found here: http://ussec.org/about-ussec/vision-mission/

USB’s Long Range Strategic Plan can be found here: http://unitedsoybean.org/about-usb/strategic-planning/

We are a dynamic partnership of key stakeholders representing soybean producers, commodity shippers, merchandisers, allied agribusiness and agricultural organizations.

Through a global network of international offices and strong support in the U.S., we help build a preference for U.S. soybeans and soybean products, advocate for the use of soy in feed, aquaculture and human consumption, promote the benefits of soy use through education and connect industry leaders through a robust membership program.

Our 15-member board of directors is comprised of four members from the American Soybean Association (ASA), four members from the United Soybean Board (USB), and seven members representing trade, allied industry, and state organizations.

New board members are seated annually. We are receiving funding from a variety of sources including soy producer checkoff dollars invested by the USB and various state soybean councils; cooperating industry; and the American Soybean Association’s investment of cost-share funding provided by the United States Department of Agriculture’s (USDA) Foreign Agriculture Service.

The United Soybean Board, created by the 1990 Farm Bill to manage and direct the National Soybean Checkoff, is dedicated to marketing and research for the soybean industry. USB is comprised of 73 volunteer soybean farmers representing the interests of fellow growers nationwide. Each board member is nominated by Qualified State Soybean Boards (QSSBs) and appointed by the U.S. Secretary of Agriculture.

Because of the limitations on administrative and salary costs established in the Act, USB outsources the majority of its program management responsibilities to USB’s three primary contractors:

1. SmithBucklin-St. Louis for domestic marketing, new uses, production research and Board initiative activities;

2. Osborn & Barr Communications for communications/public relations activities and;

3. United States Soybean Export Council (USSEC) for international marketing and global opportunities activities.
As one of these three primary contractors USSEC may also undertake initiative activities on behalf of USB. USB considers primary contractor staff (approximately 60 people) as core USB staff. These three primary contractors use a number of subcontractors and, together, these entities carry out approximately 450 projects each year for USB. USB also manages approximately 10 subcontractors.
Equal Opportunity during the performance of the contract, the Contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, disability, political beliefs, and marital or family status.

2. The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. This shall include, but not be limited to, (i) employment, (ii) upgrading, (iii) demotion, (iv) transfer, (v) recruitment or recruitment advertising, (vi) layoff or termination, (vii) rates of pay or other forms of compensation, and (viii) selection for training, including apprenticeship.

3. The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Department that explain this section.

4. The Contractor shall, in all solicitations or advertisement for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

5. The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Department advising the labor union or workers’ representative of the Contractor’s commitments under this section, and post copies of the notice in conspicuous places available to employees and applicants for employment.

6. The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.

7. The Contractor shall furnish all information required by Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor. Standard Form 100 (EEO-1), or any successor form, is the prescribed form to be filed within 30 days following the award, unless filed within 12 months preceding the date of the award.

8. The Contractor shall permit access to its books, records, and accounts by the contracting agency of the Office of Federal Contract Compliance Programs (OFCCP) for the purposes of investigation to ascertain compliance with the applicable rules, regulations and orders.

9. If the OFCCP determines that the Contractor is not in compliance with this section or any rule, regulation or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts, under the procedures authorized in
Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.

10. The Contractor shall include the terms and conditions of subparagraphs (1) through (11) of this section in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.

11. The Contractor shall take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing these terms and conditions, including sanctions for noncompliance; provided, that if the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of any direction, the Contractor may request the United States to enter into litigation to protect the interests of the United States.

12. Notwithstanding any other section of this contract, disputes relative to this section will be governed by the procedures in 41 CFR 60-1.1.
As a condition of being awarded any work under this request for proposal, the awarded contractor will be required to accept all of the following terms and conditions:

(All Capitalized Terms shall have the meaning as defined in the contract itself)

I. SCOPE OF WORK

   a. Contractor understands that it is critical to the nature of the services performed under the contract that USSEC be able to quickly modify, cancel or stop any plans, schedule or work in progress hereunder. Nothing herein shall be construed to limit the discretion of USSEC or the Project Manager in making any such modifications as it requires. Therefore, Contractor shall:

      i. Perform all tasks hereunder to the satisfaction of Project Manager.

      ii. Immediately modify, cancel or stop any plans, schedule or work in progress if instructed to do so by the Project Manager.

      iii. All appeals will be decided at the sole discretion of USSEC’s Chief Executive Officer (CEO). Failure to follow this appeal process may result in the immediate termination of the contract and the release of USSEC from any future liability.

   b. Contractor shall coordinate with USSEC to develop mutually agreeable Key Performance Indicators (“KPI”) within 30 days following execution of the contract. Contractor shall comply with such KPIs, which will become a basis for measurement of Contractor’s satisfactory performance hereunder. Contractor shall provide USSEC monthly reports toward KPI progress in a mutually agreed format.

II. COMPENSATION

   a. USSEC shall pay valid invoices within 30 days of receipt. In order to be valid, the invoice must meet the following requirements:

      i. Contractor shall bill no more frequently than twice per calendar month.

      ii. Contractor can only invoice for services after they are performed.

      iii. Contractor must obtain approval from respective Project Manager for all invoices.
iv. Contractor must mail approved invoice to USSEC at the address noted in the contract to the attention of “Compliance”.

v. Invoice must be in English or include an English translation.

a. Contractor agrees that Fees are in lieu of any and all other benefits, including, but not limited to, repayment of any and all taxes related to contractor service fees, health and life insurance, administrative costs and vacation.

b. Contractor agrees that any income taxes, value added taxes or any other form of direct or indirect taxes on compensation paid under the contract shall be paid by Contractor and not by USSEC or Funding Sources.

c. Any reimbursable expenses, if allowed in the contract, not expressly detailed in Attachment A budget worksheet require written consent of USSEC prior to reimbursement. Contractor represents and warrants that any such expenditure will at all times comply with the Reimbursable Expense section of the USSEC Policies and Procedures Manual. In addition to any other action USSEC may take hereunder, violation of this warranty shall result in non-payment of all such non-compliant expenses. Contractor shall provide receipts for actual expenditures of $25.00 or more for which Contractor expects reimbursement. Meal expense totals per day are capped at the U.S. government per diem rates.

d. If contract allows for reimbursable expenses, Contractor may bill for the Expenses as incurred. Invoice must include a USSEC issued “Expense Report – Reimbursable Expenses” worksheet completed in accordance with USSEC Policies and Procedures and submitted to USSEC within 45 days of occurrence.

e. USSEC may authorize advance payment for large travel expenses upon prior written consent by USSEC to do so. In any event, USSEC will make the corresponding payment according to its internal Policies and Procedures Manual.

f. No international travel will be approved unless Contractor has informed the FAS Attaché/Counselor in the destination country. Contractor shall attach to its invoice for any such expenses, evidence satisfactory to USSEC of such notification.

g. All Payment amounts under the contract shall be in U.S. dollars.

Payment shall be contingent upon:

i. Performance of the Services to USSEC’s satisfaction,

ii. Producing all required deliverables scheduled to be performed up to the date of invoice,

iii. Progress on KPIs to be performed up to the date of invoice,

iv. Delivery to USSEC of Contractor’s timesheet for the invoiced period,

v. Delivery to USSEC of Contractor’s complete and accurate invoice,
vi. Delivery to USSEC of Contractor’s activity report for the payment period,

vii. Delivery to USSEC of required receipts, if any

viii. Contractor shall provide W-9 or W-8BEN upon agreement signature

h. Final Payment shall be contingent upon receipt of a final accounting of billed project expenses within 30 days after the end of the Term.

i. USSEC may, in its sole discretion, refuse payment on any submission of documentation received:

j. More than 30 days beyond the Term of the contract, or

k. In no event shall USSEC or Funding Sources be liable for late fees for any sums claimed to be due to Contractor.

l. Payments will be made to Contractor’s address as defined in the contract or otherwise upon written notice.

III. TERMS AND CONDITIONS

a. Agents, Employees and Subcontractors. Contractor shall cause, and shall include in any contract it may have in relationship to the proposed contract with, all of its agents, employees, subcontractors and others under Contractor’s control, to abide by the terms and conditions herein, particularly with respect to International Name, Contingent Agreement, Non-Disparagement, Non-Competition, Confidentiality, Indemnity, Audit and Record Retention, Regulatory Compliance, Intellectual Property, and Conflicts of Interest. Both USSEC and its Funding Sources, including USB, are tax exempt entities.

b. Contingent Agreement and Funding. Notwithstanding anything to the contrary herein, the contract shall not become effective unless and until

   i. USSEC receives final funding approval from all relevant and appropriate Funding Sources, and

   ii. The contract is fully executed and properly signed by both parties.

   iii. Services performed and expenses incurred prior to these conditions shall be at Contractor’s own risk. Relevant and appropriate Funding Sources, provide all funds for Compensation of Contractor. USSEC has no obligation to pay Contractor any amount due hereunder unless and until it receives funds designated for the Services from the applicable Funding Source.

c. Relationship of Parties. Contractor and USSEC agree that Contractor is an independent contractor, not an employee, agent or legal representative of USSEC for any purpose. USSEC’s sole obligation to Contractor shall be pursuant to the contract.
d. Exclusive Payment. Contractor agrees that Payment is in lieu of any and all other benefits, including, but not limited to, repayment of any and all taxes related to contractor service fees, health and life insurance, administrative costs and vacation.

e. Non-Disparagement. During the term of the contract, Contractor shall not make any public statements that reflect unfavorably upon, criticize or otherwise disparage:

f. U.S. soybeans or U.S. soybean products;
   ii. USSEC, Funding Sources, including USB, or their activities;
   iii. Contractor’s association with USSEC or Funding Sources, including USB;
   iv. The “Soybean Check off”

g. Non-Competition. Contractor shall not act as agent or representative for any product or service directly or indirectly competitive with U.S. soybeans or soybean products for the length of the contract.

h. Confidentiality. Without USSEC’s prior written consent, Contractor and its officers, employees, agents, representatives, affiliates, and subcontractors shall not disclose to any third party any documents, materials or information that Contractor learns from or is provided in relation to the contract (“Confidential Material”) for any purpose other than performing the Services. Contractor shall exercise reasonable care and implement security measures to protect all Confidential Material from disclosure, which shall in all cases be with at least the same level of care it would use for its own confidential information. This covenant of confidentiality will survive the termination of the contract.

i. Termination and Assignment. The contract may not be assigned by Contractor without the prior written consent of USSEC which it is free to refuse. USSEC may assign the contract to another entity based in the United States that uses Funding Source’s funds pursuant to the requirements of the contract. The contract may only be terminated as set forth below, in the absence of written agreement by both parties:

j. USSEC’s maximum liability for termination shall be the pro-rated value of fully-documented:

1. Services completed hereunder to the effective date of termination and

2. Any non-cancellable financial commitments of Contractor hereunder that were properly incurred by Contractor for the benefit of USSEC pursuant to the requirements of the contract.

   i. USSEC may terminate for any reason upon 30 days written notice without any further liability for termination than that described herein,

   ii. USSEC may terminate immediately at any time without any further liability for termination than that described herein, due to:

      1. Material changes which reduce USSEC’s funding.
2. A Force Majeure event as described herein.
3. Any breach of Agreement or warranty hereunder by Contractor,
4. Any criminal or civil action brought against Contractor or its employees, which in USSEC’s sole and unfettered judgment impairs:
   a. Contractor’s ability to perform the Services.
   b. USSEC’s or Funding Source’s image or programs

III. Contractor may terminate the contract upon 30 days written notice, in which case USSEC may choose to terminate immediately upon receiving such notice without any further liability for termination than that described herein.

IV. The contract shall automatically terminate without any further liability for termination than that described herein upon:
   1. Contractor’s death, if an individual, or
   2. Contractor’s inability to perform the Services or achieve the Deliverables.

K. Taxes. Any income taxes, value added taxes or any other form of direct or indirect taxes on compensation paid under the contract shall be paid by Contractor and not by USSEC or Funding Sources.

L. Force Majeure. Neither party shall be liable for failure to perform under the contract if such failure is a result of circumstances beyond such party’s control, including but not limited to Acts of God (such as fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, hostilities (regardless of whether war is declared), terrorist activities, government sanction, blockage, embargo, or labor dispute. If a party asserts Force Majeure as an excuse for failure to perform an obligation, that party must prove that the party took reasonable steps to minimize delay or damages caused by foreseeable events and that the party substantially fulfilled all non-excused obligations.

M. Insurance.

N. During the term of the contract, Contractor shall obtain and maintain a policy of professional liability insurance with a minimum of the following coverage:
   a. Professional Liability with a minimum liability of $1,000,000 USD per occurrence.
      i. If Contractor obtains its own insurance coverage, Contractor shall provide USSEC with a Certificate of Insurance, in an industry standard format such as the ACORD format, evidencing Contractor's insurance coverage and providing 30 days' notice of any policy reductions or termination.
ii. Contractor may obtain such insurance coverage at its own expense, or may obtain such insurance under USSEC’s own insurance policies for an administrative fee of $50.00, to be deducted from the amount of Contractor’s first invoice hereunder. Coverage under USSEC’s insurance policies shall be effective only while performing Services hereunder for USSEC. The parties recognize that the Contractor’s obtaining of this coverage under USSEC’s own insurance policies, and USSEC’s facilitation thereof, does not ensure coverage of any claim under the insurance policies described in this section. Contractor hereby releases and holds harmless USSEC from any and all claims arising as a result of the failure by USSEC’s insurance provider, the Chubb Group of Insurance Companies ("Chubb"), to provide coverage for a claim related to the insurance policies described in this section, and Contractor further agrees that Contractor’s sole recourse shall be against Chubb for any failure by Chubb to cover a claim. If Contractor breaches this release, USSEC shall be entitled to recover all attorneys' fees related to defending.