



TENDER SPECIFICATIONS

**INFORMATION AND PROMOTION PROGRAMME
ON EUROPEAN BUTTER IN ASIA :
JAPAN, SOUTH KOREA, P.R. CHINA, TAIWAN
2021-2023**

PURCHASER: Centre National Interprofessionnel de l'Economie Laitière [*French National Interprofessional Centre for the Dairy Industry*] (CNIEL)

Point of contact:

CNIEL

42 rue de Chateaudun, Paris 75314 cedex 09

For the attention of Christophe SPOTTI & Emilie MARTIN

+33 1 49 70 74 02 / cspotti@cniel.com

+86(0)10 8418 5286 ext. 103 / emartin@cniel.com

CONSULTATION METHOD: Open Tendering

THE CNIEL : CENTRE NATIONAL INTERPROFESSIONNEL DE L'ECONOMIE LAITIERE

The CNIEL is an association created in the cow's milk sector, in 1974, by the national organisations representing milk production and processing. Acknowledged by the European Union and French law as an interprofessional organisation, the CNIEL helps to promote cow's milk and its derivative products (cheese, cream, etc.) in France and abroad.

The information and communication programme that is the subject of this contract is co-financed by the European Union and the CNIEL.

A co-financing application has been filed with the European Union and the CNIEL has received its agreement in principle. This campaign will be officially launched only after the European Union has fully accepted the application and has given its agreement in writing.

The acceptance of the co-financing application by the European Union evidenced by a written agreement from the European Union is a condition precedent to the signing of a contract with the successful tenderer.

Therefore, the contract will be signed only after the written authorisation of the European Union has been obtained. Should the European Union refuse, the promotional campaign will not be implemented, and no contract will be entered into by the CNIEL.

ARTICLE 1: PURPOSE OF THE CONTRACT

The purpose of the contract is an Information and Promotion Programme on European Butter in Asia : Japan, South Korea, P.R. China, Taiwan 2021-2023

ARTICLE 2: DOCUMENTS MAKING UP THE CONTRACT

The documents making up the contract are as follows, in order of priority:

- The deed of commitment signed by the parties, to which is attached the schedule of unit prices (SUP),
- These specifications and its appendices,
- The successful tenderer's bid.

ARTICLE 3: CONTEXT OF THE CONTRACT

GENERAL SITUATION OF THE GLOBAL DAIRY MARKET

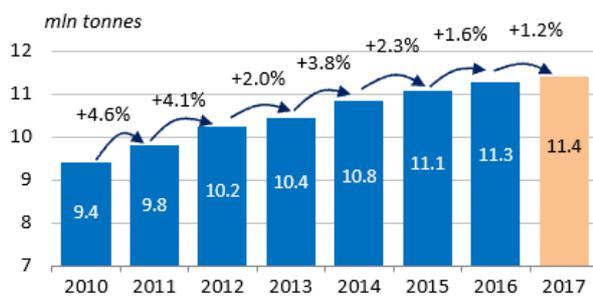
Milk collection and butter production

The total collection from the major exporting milk zones (United States / Argentina / New Zealand / Australia / EU (28)) is rising stably. Milk production in New Zealand in December 2019 (7th month of the 2019/20 season) fell by 0.5% (-13,000 tons) compared to December 2018. The price of milk increased in December 2019 by 6.7% to €348/1,000L or 15% more than the previous year. Australian milk production in December 2019 (6th month of the 2019/20 season) was at the same level as in December 2018 but had dropped by -4.3% compared to July-December 2018. American milk production in December 2019 had increased by +0.7% (+55,000 tons) compared to December 2018 (+0.3% for the period January - December). The price of milk at the farm in December had fallen 5.9% compared to November 2019 at €447/T but was still 41% higher than that of December 2018.



Information and Promotion Programme on European butter in Japan, South Korea, P.R. China and Taiwan 2021 – 2023

The EU (27) cow's milk collection increased in 2019 by 1.5% compared to the same month in 2018 (the biggest increase of the year) leading to a **cumulated increase in 2019 of 0.4%**. In December 2019, the Netherlands (+3.7%, +41,000T), Germany (+1.1%, +29,000T), France (+1.1%, +23,000T) and Spain (+3.5%, +21,000T) posted the highest production growth and Ireland (-5.7%, -15,000T), Sweden (-3.6%, -9,000T) and Denmark (-0.7%, -3,000T) posted the highest decreases. **The increase in milk collection in 2019 is translated by modest growth in production for most dairy products: butter (+1.0%), whole milk powder (+1.0%) and cheese (+0.1%).** Production decreased from January to December 2019 for milk (-2.2%), fermented milk (-1.2%) and skimmed milk powder (-0.3%).

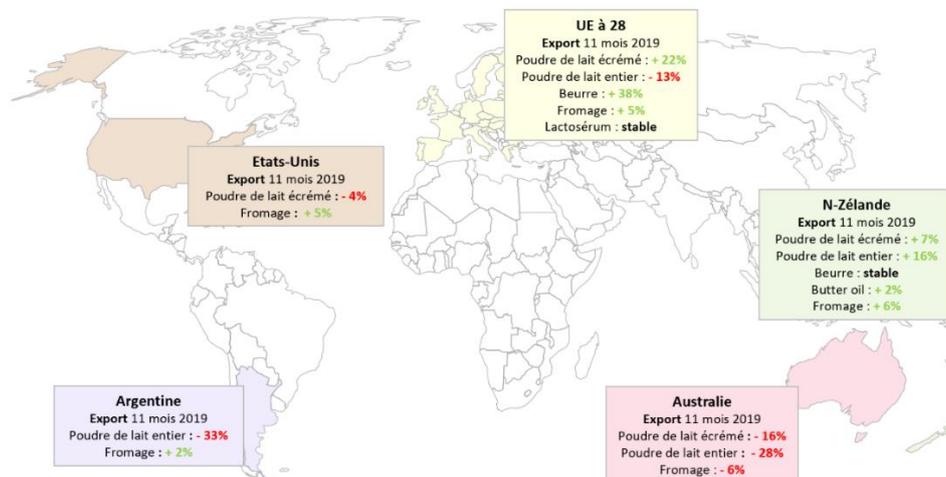


In 2017, global butter production exceeded 11.39 million tons. India is still the world's leading producer (47% of global production) with 5.4 million tons (Source: World Dairy Situation 2018). **The European Union (28) is the second largest butter and concentrated butter producer (20% of the world's production) with 2.3 million tons in 2017.**

Graph: global butter and concentrated butter production. Sources: World Dairy Situation 2018

Global foreign trade

World trade in dairy products is still dynamic. The European Union has been particularly active on the butter and skimmed milk powder markets whilst remaining aggressive on the cheese market.



Map: Export trends for the main suppliers of the global market.

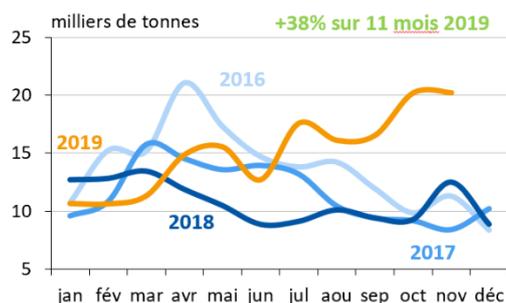
Sources: situation report January 2020, CNIEL / USDA, Dairy Australia, Commission, ZMB, Ubifrance, national customs and excise

For **butter, Russia and China are the world's biggest importers**, followed by Saudi Arabia.

The EU (28) is the world's second largest butter exporter behind New Zealand, followed by Belarus and the United States. In 2018, the EU (28) exported over 1.2 million tons of butter, 163,000 of which went to third countries.

Over 11 months in 2019, European butter exports grew strongly, 38% travelling to third countries.





Graph: EU butter exports to third countries - Source: Eurostat (EU 28)

The United States were the main destination for European butter exports in 2019 with an increase of 21% on 2018. The United Arab Emirates are the second destination with a 154% increase in volume (10,948T) representing a third of products shipped to the United States. **China is now the third destination with an increase of 21%**. Exports to most main destinations are showing two-figure growth. Compared to 2018, only Singapore and Saudi Arabia reduced their European butter imports in 2019 respectively by -7% and -15%. **In 2019, Ireland, France, the Netherlands, Denmark and Germany were the 5 largest European butter exporters with a share of 80%**. The United States was the first destination for Irish butter (27,917T, 82% share), Saudi Arabia for Danish butter (5,418T, 58% share), China for French butter (4,813T, 44% share).

On the global market, **the prices of EU (27) butter are 7% lower than those from Oceania**. The prices of 0% powder in the EU are lower than those from Oceania but 7% higher than those in the United States. In comparison to the United States, the EU (27) is slightly less competitive for butter and 0% powder but more competitive than Oceania.

On a relatively stable global milk and butter market, the European Union plays a leading role in the production and foreign trade of butter. But it remains behind New Zealand in terms of export performance in the zone.

French butter production and export

France produced 406,000 tons of butter and concentrated butter in 2017 (Source: CNIEL, using Eurostat and FIL). It is the **2nd largest producer of butter in the EU**, behind Germany.

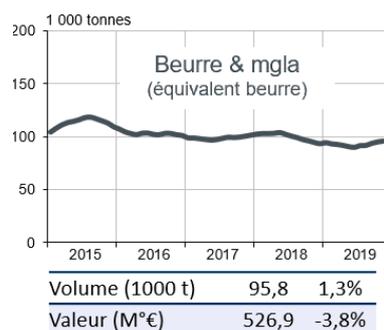
France imported 229,000 tons of butter in 2018 (1.14 billion euros in 2018), 99% from the EU (28). Over 11 months in 2019, French butter exports were relatively stable (+1.3% in volume over a rolling 12-month period). However, they fell in value over the same period.

French butter exports represent 26% of European butter exports to third countries.

Table: France's share in EU exports to third countries - Source: Eurostat via "L'Economie Laitière en Chiffres 2019"

Millions d'euros	2017			2018		
	U.E. à 28 vers pays tiers	France vers pays tiers	Part France dans export U.E. à 28 (%)	U.E. à 28 vers pays tiers	France vers pays tiers	Part France dans export U.E. à 28 (%)
Beurre, butteroil et pâtes à tartiner laitières	919	228	25	938	241	26





Graph: French butter exports over a rolling 12-month period - Source: CNIEL, Eurostat (EU 28)

French and European butter production should continue its slow growth over the coming years and satisfy growing demand on the domestic market and in third countries. In 2018, France exported 93,000 tons of butter and dairy fats, 53% to the EU (28) and 47% to third countries. The first destination for French butter for third countries is China.

Table: details of the main destinations for French exports of dairy fats (butter + butteroil + dairy spreads/butter equivalents) - Source: Eurostat via "L'Économie Laitière en Chiffres 2019"

Tonnes	2000	2010	2016	2017	2018
U.E. à 28 (1)	49 402	57 728	59 282	59 179	52 825
Chine	55	752	4 367	5 425	4 696
Arabie saoudite	2 775	2 388	3 840	4 056	3 575
Singapour	2 306	1 842	2 540	2 893	2 662
Taiwan	424	1 090	2 801	3 085	2 510
Corée du Sud	62	125	1 141	1 763	2 223
Etats-unis	249	417	1 862	2 105	1 912
Hong-Kong	575	308	1 062	1 160	1 397
Emirats Arabes unis	150	370	1 573	1 639	1 203
Japon	46	190	846	671	1 142
Liban	977	1 063	1 261	1 245	980
Pays tiers	29 062	27 535	41 835	42 359	40 149
Monde	78 464	85 263	101 117	101 538	92 974

For the zone targeted by the Action, French exports have not stopped growing both in volume and in value.

Table and graph: French butter imports by JAPAN, SOUTH KOREA, CHINA, TAIWAN / In tons / Sources: Eurostat/customs and excise

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
CHINA	735	814	771	1.380	1.765	3.386	4.200	5.191	4.565	4.813
SOUTH KOREA	110	234	307	395	623	831	1.099	1.763	2.185	3.195
TAIWAN	845	989	945	1.126	1.464	1.933	2.384	2.543	2.100	2.670
JAPAN	186	429	164	318	268	544	844	670	1.137	2.293



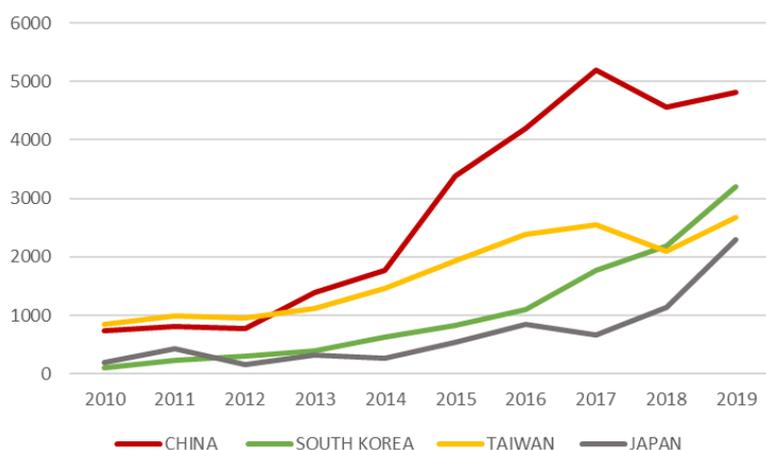


Table: French butter imports by JAPAN, SOUTH KOREA, CHINA, TAIWAN / In value €K / Sources: Eurostat/customs and excise

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
CHINA	2.896	3.606	3.560	6.806	9.632	17.311	20.653	31.457	29.934	31.941
SOUTH KOREA	502	1.132	1.506	1.979	3.101	3.975	5.255	9.454	15.500	21.802
TAIWAN	3.057	4.214	4.126	5.112	7.089	8.819	10.743	14.197	13.482	16.003
JAPAN	964	2.170	1.040	1.824	1.793	2.859	4.227	5.088	7.773	14.310

Imports/Suppliers in the target zone

The 4 markets targeted by the Action, Japan, South Korea, China and Taiwan, have **very limited local butter production and depend on imports. New Zealand is the primary butter supplier** for each of these countries (between 53% and 78% market share depending on the country) **followed by the European Union** (between 17% and 40% market share).

Japan

Japanese milk production is decreasing regularly, mainly because of the fall in herd numbers. Production was 7.27 million tons in 2017. The herd has decreased from 860,000 animals in 2008 to 735,000 in 2017. Over the last few years, Japanese farmers have been focusing on the production of Wagyu beef and abandoning the dairy breeds like Holstein. A large majority of farms are on Hokkaido Island that has recently suffered many natural disasters (earthquakes, typhoons and more) reducing milk production.

In parallel, demand for milk remains relatively stable (used in caffeinated drinks, bubble teas or smoothies), leading to difficulties for manufacturing other dairy products. According to importer FR Marketing: **“Milk production is decreasing in Japan. Half is dedicated to milk and the other half is processed. As demand for cheese is increasing, dairy manufacturers do not have enough milk and so have to import.”** According to Sôgô Sôsha Mitsui: **“the stability of demand combined with falling production should create a pull factor for imports.”**

Japanese butter imports have increased by an annual average of 36.9% since 2010 to reach 24,963 tons in 2019. The primary supplier is New Zealand with over 53% market share, followed by **the EU (27) with nearly 40% market share** (9,427 tons). The largest European supplier is the Netherlands, followed by Germany and France, with 2,293 tons imported by Japan in 2019.

Table: Japanese butter imports in tons - Sources: CNIEL using Eurostat and TDM

VOLUME (t)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	MS 2019
World (excl. intra zone)	2.250	14.136	10.157	3.950	11.226	15.684	12.337	8.288	16.346	24.963	
New Zealand	474	4.974	4.753	2.997	6.103	11.289	6.013	4.051	8.910	13.483	53.3%
EU 27 (excl. RU)	1.334	3.213	2.565	455	3.470	3.571	5.736	4.097	6.264	9.427	39.9%



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of which France	186	429	164	318	268	544	844	670	1.137	2.293	8.3%
of which Germany	113	777	46	1	634	1.335	1.805	1.107	1.552	1.954	9.3%
of which Denmark	5	7	226	9	8	10	34	49	53	66	0.3%
of which Italy	1	1	0	0	0	1	1	1	2	2	0.0%
of which the Netherlands	1.000	1.997	2.127	125	2.533	1.655	3.024	2.197	3.321	3.879	18.9%
of which Others EU (27)	31	3	8	1	31	49	174	79	202	1.235	3.1%
Australia	269	931	1.848	275	353	118	102	43	60	293	0.8%
United Kingdom	0	0	6	0	4	23	146	4	2	2	0.0%
Others	173	5.018	986	223	1.296	683	340	93	1.109	1.758	6.0%

South Korea

Milk production in South Korea is declining and in 2017 represented 50.3% of milk consumed compared to 71.8% in 2008. According to the Ministry of Agriculture, Food and Rural Affairs, one of the explanations is that South Koreans buy imported products more often, despite strong consumer loyalty for local brands. Nevertheless, the local dairy processing industry remains one of the largest food processing industries in the country. National production of dairy products generally concerns **dairy products to drink** and also yoghurts.

South Korea is a net importer of dairy products, while its exports remain marginal.

Imported volumes have progressively increased, reaching nearly 250,000 tons in 2017. Similarly, volumes of imported butter have increased since 2010 despite a fall in 2019 to 61,814 tons.

For butter, **New Zealand dominates** (over 78% market share with nearly 50,000 tons) followed by the **EU (27) with nearly 17% market share (France is the primary European importer** of butter to South Korea with over 4,800 tons in 2019).

Table: South Korean butter imports in tons - Sources: CNIEL using Eurostat and TDM

VOLUME (t)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Market share 2019
World (excl. intra zone)	14.876	18.226	24.202	33.237	51.309	54.633	63.334	65.833	86.956	61.814	
New Zealand	11.233	14.688	19.794	28.182	45.304	45.236	53.627	55.272	75.777	48.515	78.49%
EU (27)	1.324	1.411	1.710	2.452	3.668	5.894	7.015	8.144	7.905	10.402	16.83%
of which Germany	25	25	175	47	0	0	68	96	226	703	1.14%
of which Denmark	115	217	213	199	230	677	341	212	298	417	0.67%
of which France	735	814	771	1.380	1.765	3.386	4.200	5.191	4.565	4.813	7.79%
of which Italy	4	0	1	8	38	228	277	116	133	84	0.14%
of which the Netherlands	192	90	187	138	592	376	630	704	1.168	1.736	2.81%
of which Others EU (27)	253	266	363	679	1.043	1.228	1.500	1.826	1.516	2.650	4.29%
Australia	1.745	1.456	2.036	1.777	1.512	2.613	1.996	1.956	1.965	1.676	2.71%
United Kingdom	0	0	0	0	3	0	200	100	2	475	0.77%
Others	574	671	662	826	821	890	496	361	1.307	746	1.21%

China

Chinese milk production was 24.7 million tons for the 11 first months of 2019, an increase of 8.6% on the previous year. Of total production, liquid dairy products stood at 23.1 million tons, an increase of 8.6% on the previous year. Hebei, Inner Mongolia and Shandong are the three main dairy producing regions in China. Even though China does not provide official statistics on butter production, **we estimate that 10,000 tons of butter are produced** in the country. All this production is consumed nationally by the **Chinese bakery industry**. Like many other dairy products, domestic butter production in China is limited by the relatively high cost of milk and by the availability of imports of high quality and low price.



Even though butter is sold under a Chinese brand in retail stores, this butter is in fact imported (generally from New Zealand) and repackaged under a Chinese brand. Most Chinese butter sold in retail stores is produced from frozen blocks of imported butter.

Butter in China is almost entirely used by the bakery industry and HRI businesses (Hotel, Restaurant and Institutional). The bakery sector is flourishing, the increased production of Western-style pastries is also stimulating the demand for butter.

Despite a decrease in Chinese butter imports in 2019 associated with a fall in supply from New Zealand (-30% NZ imports over the first 5 months of 2019), **it is a growing market for imports**. It is no surprise that the primary supplier is **New Zealand with over 78% market share**. The EU (27) is next and the first European country is France with 4,813 tons imported by China (nearly 8% market share).

Table: Chinese butter imports in tons - Sources: CNIEL using Eurostat and TDM

VOLUME (t)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Market share 2019
World (excl. intra zone)	14.876	18.226	24.202	33.237	51.309	54.633	63.334	65.833	86.956	61.814	
New Zealand	11.233	14.688	19.794	28.182	45.304	45.236	53.627	55.272	75.777	48.515	78.48%
EU (27)	1323.7	1411.4	1710.1	2.452	3.668	5.894	7.015	8.144	7.905	10.402	16.83%
<i>of which Germany</i>	25	25	175	47	0	0	67.8	95.9	225.8	703.1	1.14%
<i>of which Denmark</i>	114.8	216.7	213.1	199.1	230.1	676.5	340.5	211.7	298	417	0.67%
<i>of which France</i>	735.3	813.6	770.9	1380.4	1.765	3.386	4.200	5.191	4.565	4.813	7.79%
<i>of which Italy</i>	4	0	1	8	38	228	277	116	133	84	0.14%
<i>of which the Netherlands</i>	192	90	187.3	138.2	591.8	375.8	629.8	703.7	1167.8	1736.1	2.81%
<i>of which Others EU (27)</i>	252.9	266.1	362.8	679.1	1043.3	1227.8	1499.5	1826.1	1.516	2650.3	4.29%
Australia	1.745	1.456	2.036	1.777	1.512	2.613	1.996	1.956	1.965	1.676	2.71%
United Kingdom	0	0	0	0	3.4	0	200	100	2.2	475	0.77%
Others	574	671	662	826	821	890	496	361	1.307	746	1.21%

Taiwan

While milk production in 2019 should post an increase of 4,000 tons to reach 423,000 tons, **production in 2020 should fall slightly to 420,000 tons** because of the decrease in productivity of the ageing Taiwanese dairy herd. Consumption of milk in Taiwan remains high. Milk consumption in 2019 should reach 507,000 tons and production forecasts for 2020 are pretty much the same.

Taiwan does not produce butter in commercial quantities.

Taiwanese butter imports have increased by an annual average of 42.9% since 2010 to reach 17,272 tons in 2019. The primary supplier here is also New Zealand with over 59% market share, followed by **the EU (27) with nearly 28% market share** (4,827 tons). The primary European supplier is France by a long way (2,670 tons, 15% market share) followed by the Netherlands and Germany.

Table: Taiwanese butter imports in tons - Sources: CNIEL using Eurostat and TDM

VOLUME (t)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Market share 2019
World (excl. intra zone)	12.085	13.258	12.864	13.273	15.257	17.949	17.742	17.587	16.291	17.272	
New Zealand	7.951	8.645	7.972	8.450	10.070	11.067	10.904	11.266	10.481	10.200	59.06%
EU (27)	1828.5	1649.7	1824.1	1.719	2.631	3.729	3.954	4.318	3.615	4.827	27.95%
<i>of which Germany</i>	194.9	140.2	131.4	53.7	64.1	186.5	267.8	238.2	265.8	359.9	2.08%



of which Denmark	51.3	53.1	57.6	86.4	88.4	109.2	237.9	191.4	219	211	1.22%
of which France	845.2	989.2	945.1	1126.4	1.464	1.933	2.384	2.543	2.100	2.670	15.46%
of which Italy	0	0	0	0	0	0	0	0	0	39	0.23%
of which the Netherlands	559	270.1	539.9	217.5	507	816.9	484.4	620.5	710.8	713.1	4.13%
of which Others EU (27)	178.1	197.1	150.1	235.1	507	683.7	579.7	725.2	319	834.2	4.83%
Australia	1.311	1.439	1.803	1.806	1.461	2.164	1.847	1.003	901	1.056	6.11%
United Kingdom	215.1	195	215	109	100.4	102.3	125.4	115	75.4	97.2	0.56%
Others	780	1.329	1.051	1.194	996	889	916	888	1.221	1.095	6.34%

SWOT JAPAN

Strengths

- Dairy products are seen as **healthy and good for you**
- The image of European food products is good, in particular in terms of **quality and food safety**
- European butter can pride itself on a clearly proven **history and authenticity**

Opportunities

- Development of e-commerce
- Trade agreement EU-Japan
- **Growing interest** from certain categories of consumers for **imported products and consumer trends imported from the West** and the Western lifestyle

Weaknesses

- Butter is **not a product traditionally included** in local consumption habits, particularly in local cuisine
- **Complex regulations** on imported products

Threats

- **Strong competition** from other imported butters (**New Zealand**)
- **Competition from margarine-type products** or blended butter
- **Local dairy brands are preferred** over imported brands (nationalism)

SWOT SOUTH KOREA

Strengths

- Dairy products are seen as **healthy and good for you**
- The image of European food products is good, in particular in terms of **quality and food safety**
- European butter can pride itself on a clearly proven **history and authenticity**

Opportunities

- **Changes in consumption modes** linked to changes in the society/family model
- **Growing interest** from certain categories of consumers for **imported products and consumer trends imported from the West** and the Western lifestyle

Weaknesses

- Butter is **not a product traditionally included** in local consumption habits, particularly in local cuisine
- Butter can be considered **too fatty** by certain categories of consumers (young women)

Threats

- **Strong competition** from other imported butters (**New Zealand**)
- **Competition from margarine-type products** or blended butter



SWOT CHINA

Strengths

- Dairy products are seen as **healthy and good for you**
- The image of European food products is good, in particular in terms of **quality and food safety**
- European butter can pride itself on a clearly proven **history and authenticity**

Opportunities

- Development of **middle classes** and categories of **consumers with high purchasing power**
- Strong development of the patisserie, bakery, café sector; **growing demand for butter**
- **Growing interest** from certain categories of consumers for **imported products and consumer trends imported from the West** and the Western lifestyle

Weaknesses

- Butter is **not a product traditionally included** in local consumption habits; **low level of knowledge** about the product and its uses
- Butter can be considered **too fatty** by certain categories of consumers (young women)
- **Tariff barriers** on imported products

Threats

- **Strong competition** from other imported butters (**New Zealand**)
- **Logistic/cold chain non reliable**, may compromise the distribution of the products
- **Local dairy brands are preferred** over imported brands (nationalism)

SWOT TAIWAN

Strengths

- Dairy products are seen as **healthy and good for you**
- The image of European food products is good, in particular in terms of **quality and food safety**
- European butter can pride itself on a clearly proven **history and authenticity**

Opportunities

- Strong development of the patisserie, bakery, café sector; **growing demand for butter**
- **Growing interest** from certain categories of consumers for **imported products and consumer trends imported from the West** and the Western lifestyle

Weaknesses

- Butter is **not a product traditionally included** in local consumption habits; particularly in local cuisine, **low level of knowledge** about the product and its uses
- Butter can be considered **too fatty** by certain categories of consumers (young women)

Threats

- **Strong competition** from other imported butters (**New Zealand**)
- **Competition from margarine-type products** or blended butter

ARTICLE 4: DESCRIPTION OF THE SERVICES

4.1 CONTENT OF THE SERVICES

- GENERAL OBJECTIVES

In markets (Japan, South Korea, China and Taiwan) where demand for butter is rapidly increasing but where potential consumers want information about the products they are eating, convincing elements are required to win over our priority targets. This action must encourage the public to change their perception, improve their knowledge and consider European butter as a genuine product of European agriculture, an emblem of



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European fine gastronomy and adapted to their daily lives. Therefore the Action will have to meet the 2 objectives below:

Objective 1: Increase the level of knowledge about European butter and its virtues by 15% with opinion leaders and foodies (estimated at 6,450,000)

Objective 2: Increase the European butter market share by +2 points over the three years by supporting exports (volume/value)

This programme will be achieved using the vector of opinion leaders (influencers, bloggers, chefs, journalists, etc.). The proposed activities meet the challenge of the programme to establish the use of European butter with the target, not only as a relatively new ingredient to discover in cooking as an alternative to vegetable oil and in pastries and baking, but also faced with butters from other origins and in particular butter from New Zealand.

- STRATEGY OF THE PROGRAMME

The target groups are indicated below. Strategies will be adapted to each of their profiles and each one will be implemented through different activities and different action resources directly linked to the objectives defined above and market analysis.

- **Opinion leaders (KOL Key Opinion Leaders)**
 - Influencers and bloggers and also the main operators on social media and digital platforms have been identified as information relays as they are inherent to current advertising methods.
 - Online and offline media (written press, radio, TV, internet, etc.).
 - Chefs and possibly pastry chefs who are in parallel considered trendsetters by consumers and also by their peers. Future chefs will also be included in this target category.
- **Foodies:** consumers interested in the world of food (cooking, restaurants, bars, cafés, etc.; nutrition, food trends, etc.), mainly women aged 25-49, middle class and above; living in large agglomerations on the target markets and regularly online.

Opinion leader target: develop a network of ambassadors for European butter

INFLUENCERS

A large part of the Foodie community follow influencers and consider them a reliable source of information and trends. According to 2019 EFESO and Ipsos studies, Japanese/Korean consumers trust influencers at a rate of 50%, and up to 81% in China and Taiwan. This is a much higher level of trust than for direct advertising. Influencers are therefore an essential element in broadcasting our messages to their followers. The influencers will be selected to take part in customised events, like workshops and training session, dedicated tastings and experience events. They will share their European butter experiences with their subscribers and this will raise awareness about the Action and the products. **The influencers will be selected according to several criteria** depending on the actions: their **community** (cooking, parenting, nutrition, professional chefs, patisserie, etc.), their **size** (micro-influencer with the smallest community but with extremely engaged followers; mega-influencer with several million followers, mid-sized influencer) and the platforms on which they are active (a mix of Facebook, Instagram WeChat, Kakao/Naver, Weibo, Yizhibo, Xiaohongshu, recipe platforms, etc.)

MEDIA

Digital and traditional press will confirm our “Butter of Europe” tagline and our products. Media relations drive the debate through content, media tours, events to engage a certain number of selected journalists, **as the media today have several formats available most of the time: press, digital (official website) or social media accounts.** The role of the general public media is to **provide foodies with pertinent, informative and easy to share content** using imagination, ideas, recipes and great photos that open up the appetite. **Professional media for importers or chefs will be an excellent vector** to include European butter in content associated with

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the quality of the ingredients and the importance of product authenticity for successful recipes enjoyed by consumers/foodies.

CHEFS AND FUTURE CHEFS

Essential in any strategy for promoting and advertising European food products, this target is essential in product choice and referencing in the zone in question. The primary users of products, **chefs and pastry chefs** can also play a role in the purchasing process in their hotel, restaurant, etc. with F&B managers or purchasing managers. It is therefore essential to arrange regular meetings and training courses about our European products. The objective of course being to demonstrate the superior quality of European butter so that they can stock it. **Cookery students** and pastry students are also a very important target because most of the chefs often use products in their career that they were trained with as students.

Foodie target: a key consumer category

Today, the foodies in the target zone are: young, active, online and urban, living in the main cities (Tokyo, Osaka, Kyoto, Seoul, Busan, Daegu, Beijing, Shanghai, Guangzhou, Shenzhen, Hangzhou, Chengdu, Wuhan, Chongqing, Xi'an, Kunming, Dalian, Xiamen, Shenyang, Taipei, Kaohsiung, Taichung...)

- From the quite well-off middle class
- Young, born after the 1980s
Open-minded, curious, innovative, interested in traditional cuisine and world food
- Always online, they share their cooking knowledge and experiences on the web: blogs, forums, social media, video sharing websites...
- Mainly women on the target markets
- +40% of foodies have one or several active accounts on social media
- 70% of them make their choices after consulting social media or influencers.

This so-called “foodie” category often has fun and we are targeting those moments. They aspire to discover, explore and experiment with authenticity. European butter is associated with a timeless quality, a grand diversity in flavour, variety and traditional expertise and *terroir*. These targets will be reached through digital advertising platforms like social media or through other foodie sites, to strengthen the scope of the Action and raise awareness about the product through content on digital platforms.

To attract attention, **the information must be seen as entertaining and easy to share on social media, and preferably in the form of a game or very short, image-heavy content.** This is why all the content developed as part of the Action must be educational but also entertaining with a high viral potential (videos/photos), interactive and relevant, depending on the centres of interests and current trends on the market concerned. This precise targeting will then be supplemented by a few extra media activities and direct interaction. **Thanks to these diverse approaches, we will always be present in the consumer’s mind and can increase knowledge of European butter and therefore integrate it into consumers’ everyday.**

It is essential that the target consumer interact with our products in an environment that will enable us to share the campaign’s key messages: production quality, regional characteristics, animal well-being, etc. By integrating foodie tastings and dedicated events, we can **organise high-impact interactions and encourage sharing our messages** through the consumer’s own social network.

- MAIN MESSAGES TO BE COMMUNICATED

The Action’s main message is focusing on “Butter of Europe”. The tenderer shall propose a secondary message encouraging the targets to discover French butter.

The Action’s key messages will vary depending on the profile of the targets and the markets but always following 4 cornerstones:

- **delicious content:** reaching people through relevant content adapted to the local culture and tendencies and highlighting the “magic” effect of European butter in the simplest dishes, including local dishes.
- **educational content:** returning to the product’s facts: the history of European butter, a natural, authentic dairy product
- **powerful flavour experiences:** tasting European butter is still the best way of creating preference and recall



- **inclusion in the life of the targets:** targets will be encouraged to share their own experiences with European butter (recipes, uses, ideas, etc.) proving to their peers that European butter can meet the aspirations and needs of local foodies

The Action will help

- **Convince chefs/professionals:** European butter provides Flavour / Technical qualities / Value
- **Win over influencers:** the experiential, taste and nutritional assets of European butter
- **Reassure foodies:** taste, multifunction and nutrition are the elements to which they are the most sensitive

The campaign will be scalable over the 3 years, with discussions over the long-term with key selected influencers and also gradual expansion to other cities, in particular in China to train chefs.

- ACTIVITIES SELECTED FOR THE STRATEGY TO MEET OBJECTIVES

The activities have been chosen to satisfy the information and advertising objectives to raise awareness, knowledge and increase market share for European butters, i.e. objectives 1 and 2.

The activities described hereafter have been validated by the European Commission and will be implemented by the successful tenderer. The offer submitted by the tenderer must therefore strictly follow these descriptions. Here are the activities planned in the Action:

Work package	<i>2. Public relations</i>		
Target groups	<i>Media, B2B and B2C journalists, foodies, influencers, bloggers, key opinion leaders (KOL) China: 500 journalists reached, 5,750,000 impressions; Taiwan: 150 journalists reached, 800,000 impressions; South Korea: 100 journalists reached, 1,000,000 impressions; Japan: 105 journalists reached, 750,000 impressions</i>		
Activity	<i>2.1 Continuous public relations activities - China, Taiwan, South Korea, Japan</i>		
Description	<p>Continuous public relations - all markets -- Years 1, 2 and 3:</p> <p>Press office - China, Taiwan, South Korea, Japan - Years 1, 2 and 3 The continuous press office will be responsible for:</p> <ul style="list-style-type: none"> - Compilation and management of the media database - Creation and circulation of press releases - Sending invitations to journalists - Regular tracking, meetings and advertising - Putting together one press book per year <p>Media partner publication: China, Taiwan - Years 1, 2 and 3 A multifunctional partnership with media platforms, including the creation and publication of articles. This partnership implies close relations with a key media platform (e.g.: PopDaily in Taiwan) to follow the campaign, product news, etc.</p>		
Timeline	YEAR 1	YEAR 2	YEAR 3
Deliverable elements	<p>China 1 press release 1 press book 1 publication on the partner's media and its social media platforms</p> <p>Taiwan 1 press release 1 press book</p>	<p>China 1 press release 1 press book 1 publication on the partner's media and its social media platforms</p> <p>Taiwan 1 press release 1 press book</p>	<p>China 1 press release 1 press book 1 publication on the partner's media and its social media platforms</p> <p>Taiwan 1 press release 1 press book</p>



	1 publication on the partner's platforms (post, livestreaming, etc.) Korea 1 press kit 1 press release 1 press book Japan 1 press release 1 press book	1 publication on the partner's platforms (post, livestreaming, etc.) Korea 1 press kit 1 press release 1 press book Japan 1 press release 1 press book	1 publication on the partner's platforms (post, livestreaming, etc.) Korea 1 press kit 1 press release 1 press book Japan 1 press release 1 press book
Budget analysis	<p>China: €13,742 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €1,602 in Y1/Y2/Y3</p> <p>Taiwan: € 24,016 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €3,140 in Y1/Y2/Y3</p> <p>Korea: €10,000 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €1,300 in Y1/Y2/Y3</p> <p>Japan: €5,865 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): € 765 in Y1/Y2/Y3</p>		
Sub-total	€ 53,623	€ 53,623	€ 53,623
Implementation	<i>Implementing body</i>		

Work package	<i>1. Public relations</i>
Target groups	<i>Media, B2B and B2C journalists, foodies, influencers, bloggers, KOLs China: 30 to 45 journalists and influencers reached, 3,750,000 impressions; Taiwan: 45 journalists and influencers reached, 1,500,000 impressions; South Korea: 120 influencers, KOLs and professionals reached; Japan: 60 journalists and influencers reached, 1,200,000 impressions</i>
Activity	<i>2.2 Press briefings - China, Taiwan, South Korea, Japan</i>
Description	<p>Media and influencer/KOL events - China, Taiwan, South Korea, Japan - Years 1, 2 and 3 These workshops will be an opportunity to create real technical, creative and media-focused laboratories. Media, influencers and KOLs (foodies and chefs) will be invited to these workshops with a fun, networking atmosphere to discuss their different points of view. The content of these workshops will be a mixture of product information (history of European butter, production method, type of butter), tastings and DIY: a cooking expert will run the workshops, toying with creativity and including European butter in local customs. A workshop theme will be defined every year per market, to best match the trends and needs of local foodies.</p> <p>In China, the event will be held in a primary city every year (Beijing, Shanghai, and Guangzhou or Shenzhen), in Seoul in South Korea, in Taipei in Taiwan and in Tokyo in Japan. In Japan, the workshop will be re-adapted because it will be used to launch an annual pop-</p>

	up store.		
Timeline	YEAR 1	YEAR 2	YEAR 3
Deliverable elements	<p>China 1 workshop with 10 to 15 journalists and KOL participants</p> <p>Taiwan 1 workshop with 15 journalists and KOL participants</p> <p>Korea 2 workshops with 20 journalists and 20 KOL participants</p> <p>Japan 1 media event for the pop-up with 20 journalists and KOL participants</p>	<p>China 1 workshop with 10 to 15 journalists and KOL participants</p> <p>Taiwan 1 workshop with 15 journalists and KOL participants</p> <p>Korea 2 workshops with 20 journalists and 20 KOL participants</p> <p>Japan 1 media event for the pop-up with 20 journalists and KOL participants</p>	<p>China 1 workshop with 10 to 15 journalists and KOL participants</p> <p>Taiwan 1 workshop with 15 journalists and KOL participants</p> <p>Korea 2 workshops with 20 journalists and 20 KOL participants</p> <p>Japan 1 media event for the pop-up with 20 journalists and KOL participants</p>
Budget analysis	<p>China: €42,796 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €5,351 in Y1/Y2/Y3</p> <p>Taiwan: €19,082 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €2,489 in Y1/Y2/Y3</p> <p>Korea: €33,000€ / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €4,300 in Y1/Y2/Y3</p> <p>Japan: €5,980 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €780 in Y1/Y2/Y3</p>		
Sub-total	€100,858	€100,858	€100,858
Total for the work package	€154,481	€154,481	€154,481
Implementation	<i>Implementing body</i>		

Work package	3. Website, social media
Target groups	Potential consumers, foodies, chefs, KOLs, professionals China: 3,000,000 people reached; Taiwan: 450,000 people reached; South Korea: 250,000

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	<i>people reached; Japan: 950,000 people reached</i>		
Activity	3.2 Social media - China, Taiwan, South Korea, Japan		
Description	<p>Weibo account management - China- Years 1, 2 and 3 This account will be the continuation of the existing Weibo account 欧洲黄油EUROPEAN_BUTTER, created in 2018 within the co-financed programme 779 432. Community management, the creation of content and the relaying of different events will continue throughout each year of the campaign</p> <p>Influencer partnerships and cooking platforms - all markets - Years 1, 2 and 3 Collaboration with influencers or influential platforms for publishing content that promotes European butter.</p>		
Timeline	YEAR 1	YEAR 2	YEAR 3
Deliverable elements	<p>China 48 Weibo posts 8 publications with KOL partnerships</p> <p>Taiwan 10 partnership publications</p> <p>Korea 10 partnership publications</p> <p>Japan 10 publications with KOL partnerships 1 cooking platform partnership</p>	<p>China 48 Weibo posts 8 publications with KOL partnerships</p> <p>Taiwan 10 partnership publications</p> <p>Korea 10 partnership publications</p> <p>Japan 10 publications with KOL partnerships 1 cooking platform partnership</p>	<p>China 48 Weibo posts 8 publications with KOL partnerships</p> <p>Taiwan 10 partnership publications</p> <p>Korea 10 partnership publications</p> <p>Japan 10 publications with KOL partnerships 1 cooking platform partnership</p>
Budget analysis	<p>China: €80,961 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, selection and negotiation of influencers/platforms, financial and administrative management): €10,560 in Y1/Y2/Y3</p> <p>Taiwan: €31,730 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, selection and negotiation of influencers/platforms, financial and administrative management): €4,139 in Y1/Y2/Y3</p> <p>Korea: €49,392 in Y1 and Y3, €54,797 in Y2 Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, selection and negotiation of influencers/platforms, financial and administrative management): €6,442 in Y1 and Y3, €7,147 in Y2</p> <p>Japan: €70,973 / year Including agency fees (Customer relations, management and validation, supplier relations, briefs, negotiation and management, selection and negotiation of influencers/platforms, financial and administrative management) €9,257 in Y1/Y2/Y3</p>		
Sub-total	€ 233,056	€ 238,461	€ 233,056



Total for the work package	€ 233,056	€ 238,461	€ 233,056
Implementation	Implementing body		

Work package	4. Advertising		
Target groups	Potential consumers, foodies, chefs, KOLs, professionals China: 1,500,000 people reached		
Activity	4.4 Internet – China		
Description	<p>Purchasing space on social media in China - Years 1, 2 and 3</p> <p>Purchase of digital space from a B2B media company. Depending on the selected media, the digital platform could be its WeChat account, its Weibo account and/or another of its digital platforms. Content development will be personalised to meet the requirement of the professional targets.</p>		
Timeline	YEAR 1	YEAR 2	YEAR 3
Deliverable elements	China 2 articles	China 2 articles	China 2 articles
Budget analysis	<p>China: €13,677 / year (unit cost: €6,838.5)</p> <p>Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €639 in Y1/Y2/Y3</p>		
Sub-total	€ 13,677	€ 13,677	€ 13,677
Total for the work package	€ 13,677	€ 13,677	€ 13,677
Implementation	Implementing body		

Work package	5. Communication tools		
Target groups	KOLs, chefs, sector professionals, foodies, potential consumers		
Activity	5.1 Publications, media kits, promotional material - Japan, South Korea, China, Taiwan		
Description	<p>Graphic design and style guide - Japan, South Korea, China And Taiwan - Years 1, 2 and 3</p> <p>Shared graphic design</p> <ul style="list-style-type: none"> - Design of a shared tagline and logo and its country variations - Design of a style guide shared by all countries which matches the European position and messaging and the graphic design standards imposed by the European Commission. Local versions, taking into account the specific features of the markets, are possible. - Design of images/photos and computer graphics promoting European butter <p>In Y2/Y3, assets will be updated to create new visuals in phase with European butter.</p> <p>Creation of a themed recipe collection: This collection in the form of a booklet will be distributed to professionals and the media and will be a training tool for events on all markets. Its format (booklet, magazines, digital tool, video tutorial, etc.) will change to match the requirements of the targets and an annual theme will be defined.</p> <p>Creation of material for events: Promotional materials will be created for the campaign events. They will be associated with culinary use.</p>		
Timeline	YEAR 1	YEAR 2	YEAR 3

Deliverable elements	<p>All countries: 1 style guide with 1 logo and images 1 recipe collection 12 recipes 12 visuals</p> <p>China 200 recipe booklets 100 cooking accessories</p> <p>Taiwan 250 recipe booklets 250 cooking accessories</p> <p>Korea 250 recipe booklets 250 cooking accessories</p> <p>Japan 1,200 recipe booklets</p>	<p>All countries: 1 update of the style guide and images 1 recipe collection 12 recipes 12 visuals</p> <p>China 200 recipe booklets 100 cooking accessories</p> <p>Taiwan 250 recipe booklets 250 cooking accessories</p> <p>Korea 250 recipe booklets 250 cooking accessories</p> <p>Japan 1,200 recipe booklets</p>	<p>All countries: 1 update of the style guide and images 1 recipe collection 12 recipes 12 visuals</p> <p>China 200 recipe booklets 100 cooking accessories</p> <p>Taiwan 250 recipe booklets 250 cooking accessories</p> <p>Korea 250 recipe booklets 250 cooking accessories</p> <p>Japan 1,200 recipe booklets</p>
Budget analysis	<p>China: €48,487 in Y1 and €42,336 in Y2/Y3 Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €6,324 in Y1, €5,522 in Y2/Y3</p> <p>Taiwan: €7,690 / year Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €1,003 in Y1/Y2/Y3</p> <p>Korea: €8,100 / year Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €1,960 in Y1/Y2/Y3</p> <p>Japan: €13,800 / year Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €1,800 in Y1/Y2/Y3</p>		
Sub-total	€ 78,077	€ 71,926	€ 71,926
Total for the work package	€ 78,077	€ 71,926	€ 71,926
Implementation	<i>Implementing body</i>		

Work package	6. Events
Target groups	<i>Chefs, sector professionals, students, consumers China: 450 professionals and future professionals reached; Taiwan: 480 professionals and future professionals reached; South Korea: 390 professionals and future professionals reached</i>

Activity	<i>6.2 Seminars, workshops, meetings with businesses, training for trade/chefs, activities in schools - China, Taiwan, South Korea</i>		
Description	<p>Professional training sessions - China, Taiwan, South Korea– Years 1, 2 and 3 Chefs and pastry chefs will be trained every year in techniques for using butter, in Western, fusion or local cuisine. The training sessions will take place in the primary and secondary cities in the markets, depending on the year (e.g.: in China: Chengdu, Chongqing, Xiamen, etc.)</p> <p>Student training sessions - China, Taiwan, South Korea– Years 1, 2 and 3 Training sessions for cookery or pastry students will be organised each year in reputed professional cooking schools in primary and secondary cities depending on the markets. These sessions will last between 3 and 4 hours.</p>		
Timeline	YEAR 1	YEAR 2	YEAR 3
Deliverable elements	<p>Professional training sessions: <u>China</u> 2 training sessions 50 participants <u>Taiwan</u> 3 training sessions 60 participants <u>South Korea</u> 1 training session 30 participants</p> <p>Student training sessions: <u>China</u> 2 sessions 100 participants <u>Taiwan</u> 2 sessions 100 participants <u>South Korea</u> 1 training session 100 participants</p>	<p>Professional training sessions: <u>China</u> 2 training sessions 50 participants <u>Taiwan</u> 3 training sessions 60 participants <u>South Korea</u> 1 training session 30 participants</p> <p>Student training sessions: <u>China</u> 2 sessions 100 participants <u>Taiwan</u> 2 sessions 100 participants <u>South Korea</u> 1 training session 100 participants</p>	<p>Professional training sessions: <u>China</u> 2 training sessions 50 participants <u>Taiwan</u> 3 training sessions 60 participants <u>South Korea</u> 1 training session 30 participants</p> <p>Student training sessions: <u>China</u> 2 sessions 100 participants <u>Taiwan</u> 2 sessions 100 participants <u>South Korea</u> 1 training session 100 participants</p>
Budget analysis	<p>China: €59,552 / year Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management):€7,767 in Y1/Y2/Y3</p> <p>Taiwan: €67,160 / year Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €8,760 in Y1/Y2/Y3</p> <p>South Korea: €34,252 / year Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €4,468 in Y1/Y2/Y3.</p>		
Sub-total	€ 160,964	€ 160,964	€ 160,964
Implementation	<i>Implementing body</i>		

Work package	<i>6. Events</i>
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Target groups	<i>Foodies, KOLs, consumers, sector professionals, chefs Japan: 3,000 people directly through the pop-up, 300,000 indirectly</i>		
Activity	<i>6.6 Other events – Japan</i>		
Description	<p>“European Butter Café” pop-up store - Japan - Years 1, 2 and 3</p> <p>The creation of this pop-up store will introduce European butter to Japanese consumers for 3 days in a privileged spot in the heart of Tokyo. Influencers and the media will be invited to the launch of the pop-up store to relay information through their networks and social media (see Activity 2).</p> <p>Exclusive recipes from influencers or chefs will be available on the menu for consumers. Mini-seminars will be organised to familiarise foodies with the product and help them include it in their lifestyle and cooking habits. One of the seminars will be reserved for local chefs.</p>		
Timeline	YEAR 1	YEAR 2	YEAR 3
Deliverable elements	Japan 5 seminars 50 participants 3 days 1,000 visitors	Japan 5 seminars 50 participants 3 days 1,000 visitors	Japan 5 seminars 50 participants 3 days 1,000 visitors
Budget analysis	Japan: €89,700 / year (unit cost: €17,940) Including agency fees (customer relations, management and validation, supplier relations, briefs, negotiation and management, financial and administrative management): €11,700 in Y1/Y2/Y3		
Sub-total	€ 89,700	€ 89,700	€ 89,700
Total for the work package	€250,664	€250,664	€250,664
Implementation	<i>Implementing body</i>		

4.2 PERFORMANCE OF THE SERVICES

4.2.1. In order to allow the CNIEL to monitor the progress of the activities and compliance with the obligations arising from the co-financing by the European Union, the successful tenderer shall produce and attach to each of its invoices, during the entire term of the contract, within 30 days from the end of each quarter as from the time the contract takes effect:

- **A “quarterly technical report”, to be drafted in French** in accordance with the template that will be provided by the CNIEL, containing (i) a description of the activities planned and carried out with justifications, as the case may be, for any discrepancy vis-à-vis the activities planned and (ii) copies of the materials and visual media used;
- **A “quarterly financial report”, to be drafted in French** in accordance with the template that will be provided by the CNIEL, breaking down the costs and/or expenses actually incurred by the successful tenderer per activities; and
- **Supporting documentation for each of such costs and/or expenses and proof of their payment by the successful tenderer and in particular:**
 - o (i) the invoices of the successful tenderer’s subcontractors to which shall be appended proof of payment of said invoices by the successful tenderer (copy of the successful tenderer’s bank statements),



- (ii) the invoices of the subcontractors of the successful tenderer's subcontractors to which shall be appended proof of payment of said invoices by the successful tenderer's subcontractors (copy of the bank statements of the successful tenderer's subcontractors),
- (iii) If appropriate, the itemised timesheets of the successful tenderer's operators (one timesheet per budget line) and of the operators of the successful tenderer's subcontractors.

At the end of each 12-month period (Phase), the successful tenderer shall produce and attach to the last invoice, within 30 days from the end of the Phase:

- **A "annual technical report", to be drafted in French** in accordance with the template that will be provided by the CNIEL, containing (i) a description of the activities planned and carried out, with justifications, as the case may be, for any discrepancy vis-à-vis the activities planned and (ii) copies of the materials and visual media used;
- **A "annual financial report" to be drafted in French**, in accordance with the template that will be provided by the CNIEL, containing (i) an expenditure reporting table per activity and (ii) a financial statement for reporting Phase.

At the end of the contract, the successful tenderer shall produce and attach to the last invoice, within 30 days from the end of the contract a "final technical report" **to be drafted in French**, in accordance with the template that will be provided by the CNIEL, containing (i) an overview of the activities carried out and the results of the actions and (ii) a summary to be published.

4.2.2. In addition, to allow the progress of the activities to be monitored, the successful tenderer shall submit, each action and/or deliverable to the prior written approval of the CNIEL within a reasonable time that will be defined by mutual agreement, before they are performed, produced and/or published.

ARTICLE 5: PRICE OF THE CONTRACT

The prices are all-inclusive. They are detailed in the deed of commitment per type of action proposed with the corresponding fees. These prices are expressed in euros and include all tax and other charges applicable to the services as well as all associated expenses.

The amount of the contract for the implementing agency is: € 2,182,968.00 excluding VAT for the 3 years.

This amount includes:

- the total budget for the actions excluding the costs of purchasing advertising space (hereafter "Actions Budget");
- the agency's fees relating to the Action Budget;
- the total budget for the costs of purchasing advertising space (hereinafter "Purchase of Space Budget");
- the agency's fees relating to the Purchase of Space Budget, which may not exceed 5% of the Purchase of Space Budget;

which together constitute the subject matter of the contract.

he total amount of the contract cannot under any circumstances exceed € 2,182,968.00 excluding VAT/ three years, including the purchasing of space and fees.

ARTICLE 6: INVOICING AND SETTLEMENT TERMS AND CONDITIONS

6.1 Invoicing terms

Unless otherwise agreed between the parties, the successful tenderer will invoice its fees and expenditures in connection with the programme on a quarterly basis.

Each of the invoice shall in all cases be accompanied by all elements described in the article 4.2.

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6.2 Payment terms

Subject to performance of all its obligations, the successful tenderer's invoices will be paid by the CNIEL within a period of 30 (thirty) days end of month from receipt thereof.

The invoices shall be sent to the following address:

CNIEL – *service comptabilité* (accounting department)
42 rue de Châteaudun
75314 PARIS cedex 09

In addition to the information required by economic and tax legislation, the invoice must include the following items:

1. the subject of the contract,
2. the name and address of the holder,
3. the market number,
4. the direct debit of payments as stated in the deed of commitment,
5. the date of issue of the invoice,
6. the amount of the benefit (Amount excluding VAT, Amount including VAT, Amount including VAT),
7. the wording of the service provided.

The rules for issuing invoices are those laid down in Community Regulation 2015/1831.

ARTICLE 7: PERIOD OF THE CONTRACT

The period of the **contract** is 36 months.

The contract is not renewable.

The contract will take effect on the first day of the month following the signature date of the contract to be concluded between the CNIEL and the Member State.

ARTICLE 8: PLACE WHERE THE CONTRACT WILL BE PERFORMED

The services that are the subject of this contract shall be carried out in: Japan, South Korea, P.R. China and Taiwan (hereinafter the "Territory(ies)").

ARTICLE 9: OBLIGATIONS OF THE SUCCESSFUL TENDERER

The successful tenderer undertakes:

- To perform the contract in accordance with the regulations in force in the Territory(ies) for which they are intended or in which they are meant to be disseminated, and in compliance with the best practices specific to the services that are the subject of the contract;
- To ensure that the creations comply with the provisions governing co-financing set by regulation no. 2015/1831 of 7 October 2015 laying down rules for applying regulation no. 1144/2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in the third countries (appended hereto in Annexes 1 and 3) and in particular, but not limited to, Article 4 of EU Regulation no. 1144/2014 and Articles 2 to 8 of implementing regulation no. 2015/1831 (appended hereto in Annexes 1 and 3);
- For health claims (i.e. information on the impact of a product on health): To ensure that the health claim complies with the regulation (CE) no. 1924/2006 and is approved by national authorities charged



of the public health of the member state where the activities are implemented or with any similar regulation applicable in non-European countries;

- Not to disclose any information that is confidential by its nature, the context in which it was obtained, or by virtue of its being reported as confidential, about which it would have been aware in connection with the performance of the services under the contract, and which relates to the resources to be used for the performance of the contract. Where applicable, the successful tenderer must advise its subcontractors of the obligations of confidentiality incumbent on it for the performance of the contract. It must ensure that these obligations are complied with by its subcontractors. The information, documents or data already accessible to the public when they are brought to the knowledge of the parties are not covered by this obligation of confidentiality. The other information relating to the performance of the contract can only be passed on to third parties with the CNIEL's express agreement;
- To comply and ensure that subcontractors comply with the principles of data protection in accordance with the Data Protection Agreement;
- Not to use, in any form whatsoever, the results obtained during the performance of the services under this contract for any other campaign ;
- Not to submit an application to benefit from Community or national aid for actions carried out for the campaign forming part of this contract;

To indicate clearly and legibly on all materials - regardless of the medium thereof - that it will produce in respect of the contract, and also in its media relations, that the European Union has been involved in financing the Programme and the Actions, on pain of not being eligible for the expenses incurred and, unless otherwise instructed by the CNIEL, to reproduce the logos detailed below:

- **Logo of the European Union** (flag) plus the phrase: CAMPAIGN FINANCED WITH THE ASSISTANCE OF THE EUROPEAN UNION translated into the language of the target country / countries
- **European "Enjoy, It's from Europe" logo**
- **Logo of the CNIEL**



Downloading of the European logos and the charters:

http://ec.europa.eu/agriculture/promotion/procedure/enjoy-instructions_fr.htm

The "Enjoy! it's from Europe" slogan will be used in English. The Agency can use a translation of this slogan in the form of a footnote at the bottom of the visual material (advertisement, poster, etc). GRAPHIC

CHARTER:

http://ec.europa.eu/agriculture/promotion/procedure/enjoy-instructions_fr.htm

- To make all reasonable efforts to obtain the best rates from media. The CNIEL will have the benefit of all commissions, discounts, rebates and/or reimbursements that the Agency may obtain in connection with the implementation of the contract. Likewise, the Agency undertakes to credit to CNIEL account any income arising directly or indirectly by the implementation of the Contract and, in particular, any interest that the Agency collects from the investment of any amount from CNIEL.
- Not to be bound, during the period of the contract, by an agreement with a third party concerning campaigns that are likely to denigrate dairy products.

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ARTICLE 10: SUBCONTRACTING

The successful tenderer may also call on sub-contractors provided that it first informs purchaser in writing by providing it with their name, address and registration number on the trade and companies registry and/or SIRET number.

The successful tenderer is responsible for paying all invoices of subcontractors that it has commissioned to implement the activities of the contract on behalf of purchaser. Purchaser may not be held liable for the successful tenderer's late payments to its subcontractors.

In the event of subcontracting, the successful tenderer shall be solely responsible for the performance of the subcontracted parts. In this regard, the failings of the subcontractors arising from non-compliance with their commitments or the cessation of activity shall be treated as failings of the successful tenderer.

The obligations incumbent on the successful tenderer in respect of this contract apply *de jure* to the subcontractors. The successful tenderer undertakes to impose said obligations to them.

ARTICLE 11: CHECKING THE PROPER PERFORMANCE OF THE SERVICES UNDER THE CONTRACT

The CNIEL reserves the right to have any type of check carried out during the performance of the contract to ensure that the services performed comply with the contractual requirements. It can either expedite checks on site or ask the successful tenderer to send it documents proving that the proposed actions have been carried out.

Should the CNIEL note a breach of the requirements of these specifications, it shall send the successful tenderer a formal demand to rectify it within a specific time frame. Once the time frame set has passed, the CNIEL can either decide to terminate the contract in accordance with the conditions of Article 14 or decide not to pay the sums corresponding to the actions that do not comply with these specifications.

Any proposed amendment to the activities must be notified by the successful tenderer and validated by the CNIEL.

The periodic reports (see Article 4.2.1) shall also be subject to verifications. The successful tenderer is obliged to carry out the corrections requested by the CNIEL, where applicable.

Checking the proper performance of the contract also obliges the successful tenderer to undertake to keep the records and other supporting documents proving the proper performance of the programme and the costs declared as acceptable, in accordance with the conditions laid down by Regulation no. 2015/1831 of 7 October 2015 laying down rules for applying regulation no. 1144/2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in the third countries.

Accordingly, the successful tenderer shall:

- open a specific bank account dedicated exclusively to the program. The successful tenderer undertakes to keep copies of all bank statements relating to said bank account during the entire term of the contract and, after its end, during a period to be indicated by the CNIEL;
- keep analytical accounting specific to the contract and separate from its general accounting allowing the revenue and expenditures relating to the performance of the contract to be identified, and to keep it available to the CNIEL (in full or by extracts) upon simple request. The successful tenderer undertakes to archive said accounting during the entire term of the contract and, after its end, during a period to be indicated by the CNIEL.

Finally, the successful tenderer is reminded that checks, reviews and audits, in particular on the successful tenderer's premises, can be expedited by the CNIEL, the Member State, the Commission, the European Court of Auditors (ECA), the European Anti-Fraud Office (OLAF) and/or any body, agent or expert appointed by them for the full period of the contract and six (6) years after the contract has ended.



ARTICLE 12: INTELLECTUAL PROPERTY

The successful tenderer assigns, on an exclusive basis, all of the rights or titles to intellectual property of any nature relating to its services and/or to the results of its services, allowing the CNIEL to use them freely in France and abroad.

This assignment relates in particular to the work carried out both by the successful tenderer and by directly or indirectly associated persons under this contract (freelance writers, associated rights of performers, right to reproduce the image of models and persons represented, etc.).

Ownership is transferred to the CNIEL as the services scheduled in the contract are carried out.

The assigned rights include, but are not limited to:

- the right to reproduce all or part of the creations on any medium, particularly analogue or digital, in any forms and formats known or anticipated on the date that the contract is signed or subsequently discovered,
- the right to reproduce all or part of the creations by any processes (known or anticipated on the date that the contract is signed or subsequently discovered and contemplated),
- the right to adapt all or part of the creations in all formats and to translate all or part of them into any languages,
- the rights to distribute, lease, loan, make freely available and sell for any marketing, internal or external communication operation and any other means of using the creations falling within the activity of the CNIEL.

The media and processes include in particular any hard copy, computer or digital medium, any means of communication, direct or indirect, via space or land, by satellite, cable or radio waves, and any wired or wireless network, including the Internet in particular.

This assignment is valid for the legal period of protection of intellectual property rights, including any legal extension, regardless of the reason therefor, and on a worldwide basis. It includes the possibility for the CNIEL and the European Union to benefit from all of the rights to use the results of the actions that are the subject of this contract.

The successful tenderer shall also transfer to the CNIEL title to all physical media containing the works.

ARTICLE 13: INSURANCES

The successful tenderer represents and warrants that its professional public liability is insured with a creditworthy insurance company and that said insurance covers all its services and/or the contract and persons involved, directly and/or indirectly, in carrying out and/or the implementing the contract.

ARTICLE 14: TERMINATION

14.1 Termination of the contract in full by the Parties

Should one of the Parties breach any one of the obligations provided under the contract, the other Party(ies) may, after formal notice sent by recorded delivery letter with acknowledgement of receipt to remedy the recorded breach(es) which has/have not been remedied in full or in part within the thirty (30) days of the receipt thereof, terminate, in full, the contract without other formality, without prejudice to any damages which might be owed.

14.2 Termination of the contract in full or in part by CNIEL

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The CNIEL may also terminate this contract at any time and without the successful tenderer being entitled to any indemnity and/or compensation other than:

- the reimbursement, on presentation of justifying documents, of all the expenditures and expenses incurred by the successful tenderer,
- the payment of the remuneration of the successful tenderer for the activities carried out,

until the date of the termination or of its operative event (where the successful tenderer has failed to inform CNIEL of said operative event in the cases provided for in paragraphs a) and b) mentioned below), in the following cases:

- a) When the successful tenderer, during the implementation of this Contract, is placed in one of the situations mentioned in Articles L. 2141-1 to L. 2141-11 et L. 2341-3 of the Public Procurement Code;
- b) When administration proceedings (Articles L. 631-1 *et seq.* of the French Commercial Code (*Code de commerce*)), compulsory liquidation proceedings (articles L. 640-1 *et seq.* of the French Commercial Code) or a like measure provided for under a foreign law is commenced against the successful tenderer and subject to the public policy provisions applicable to such proceedings;
- c) When France Agrimer terminates the Grant agreement or the participation of Cniel regardless of the reason for said termination.
- d) In the event the public authorities fail to extend or call into question the extension of the inter-branch agreement entered into between the bodies that form the CNIEL setting the amount of the inter-trade contribution.

ARTICLE 15 DISPUTES AND CONFLICTS

The parties shall endeavour to settle amicably any disputes and conflicts which might arise during the performance of this contract. If the parties are unable to reach an amicable resolution, suit shall be brought before the Paris Regional Court (*Tribunal de grande instance*), which shall have sole jurisdiction.

Signed in two original copies*

In..... on.....

*Signature and stamp of the successful tenderer preceded by the words "read and approved" ("*lu et approuvé*")

Appendix 1 - (EU) Regulation no. 1144/2014 of 22 October 2014

Appendix 2 - Delegated (EU) Regulation no. 3025/1829 of 23 April 2015

Appendix 3 - Implementing (EU) Regulation no. 2015/1831 of 7 October 2015

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