



SPECIFICATIONS/BRIEF

**Design and Implementation of a Collective Information and Promotion Campaign
for European Cheeses
in
COLOMBIA, ECUADOR & PERU
2021-2023**

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

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CONSULTATION METHOD: Open Tender

THE CNIEL: CENTRE NATIONAL INTERPROFESSIONNEL DE L'ÉCONOMIE LAITIÈRE

The CNIEL is an association created for the cow's milk industry, in 1974, by the national organizations representing milk production and processing. Acknowledged by the European Union and French law as an interprofessional organization, 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.

This contract comprises two (2) tranches, one firm tranche and one conditional tranche.

A co-financing application will be made to the European Union during the first quarter of 2020. This campaign may only be officially launched after full acceptance of the application and written agreement from the European Union.

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 performance of the conditional tranche dealing with the implementation of the information and communication program. Should the European Union refuse, the promotional campaign will not be implemented, and no contract will be entered by the CNIEL for the conditional tranche.

ARTICLE 1: PURPOSE OF THE CONTRACT

The purpose of the contract is to implement a collective information and promotion campaign for European cheese in Colombia, Ecuador and Peru 2021-2023

This contract comprises two tranches:

- A firm tranche: support in preparing the application to be filed with the European Commission before April 6, 2020.
- A conditional tranche: implementation of the information and communication program.

The conditional tranche will be performed if the following condition is met: the European Union fully accepts the application and gives its agreement in writing to the information and communication program. Upon receipt of the European Union's written agreement, the CNIEL will notify the successful tenderer of the decision to confirm the conditional tranche.

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

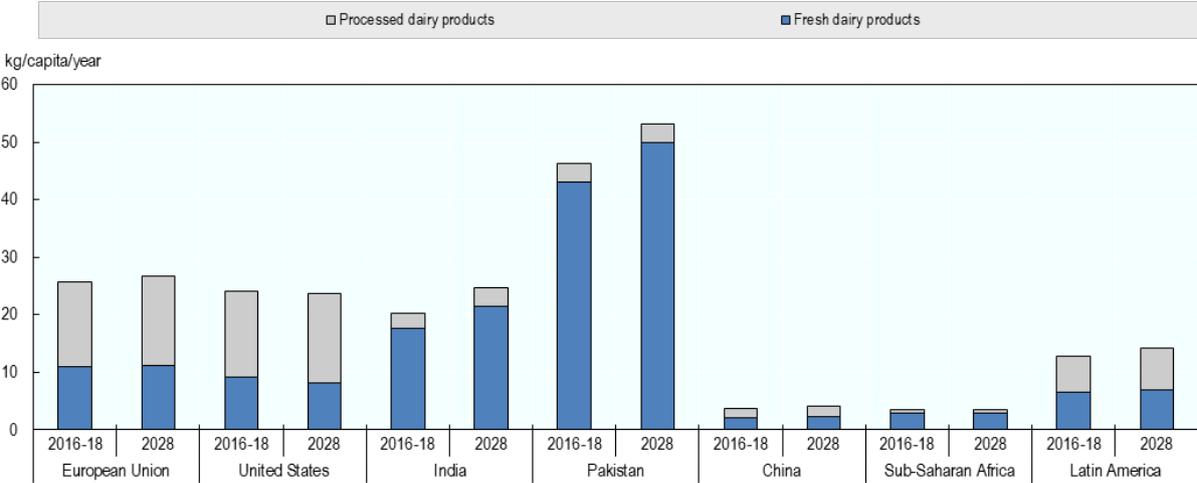
ARTICLE 3: CONTEXT OF THE CONTRACT

3.1 World Market situation

World milk production (81% cow milk, 15% buffalo milk and 4% for goat, sheep and camel milk combined) grew by 1.6% in 2018 to about 838 Mt. In India, the largest milk producer in the world, production increased by 3.0% to 174 Mt, although this had little impact on the world dairy market as India trades only marginal quantities of milk and dairy products. The three major dairy product exporters achieved production increases during 2018, the European Union (0.8%), New Zealand (3.2%) and United States (1.1%) that were almost entirely driven by higher milk yields per cow; in New Zealand, favorable grass conditions also played a role. As a result, the availability of fresh dairy products and processed products for export increased. In the People’s Republic of China (hereafter “China”), the world’s largest importer of dairy products, milk production increased for the first time in four years by 1.1% in 2018. Official milk production data for China was revised downward in late 2018 by up to 15% for the last ten years. International dairy prices refer to dairy products, as unprocessed milk is practically not traded. Butter is the reference for milk fat and skim milk powder (SMP) for other milk solids. Milk fat and other milk solids together account for about 13% of the weight of milk, with the remainder being water. In 2018, butter prices declined compared to its record 2017 levels but showed a significant increase around the middle of the year. The strength of milk fat prices (butter) in contrast to the prices of other milk solids (SMP) continued in 2018, supported by strong demand in North America and Europe for cream, butter and other full fat milk products. SMP prices started to recover from low levels towards the end of 2018 as the European Union considerably reduced its intervention stocks, purchased mainly in 2016 when European Union prices fell below the set threshold of EUR 1 698 per ton.

In Europe and North America, overall, per capita demand for fresh dairy products is declining, but the composition of demand has been shifting for several years towards dairy fat. Most of the cheese consumption, the second most important dairy product in terms of milk solids, occurs in Europe and North America, where per capita consumption is expected to continue to increase.

Figure 3.1. Per capita consumption of processed and fresh dairy products in milk solids



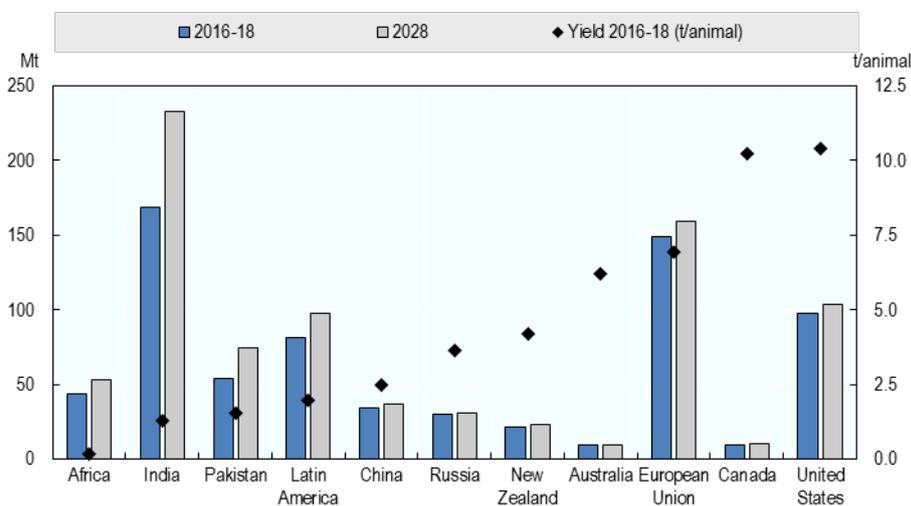
Note: Milk solids are calculated by adding the amount of fat and non-fat solids for each product; Processed dairy products include butter, cheese, skim milk powder and whole milk powder. Source: OECD/FAO (2019), “OECD-FAO Agricultural Outlook”, OECD Agriculture statistics (database), <http://dx.doi.org/10.1787/agr-outl-data-en> . StatLink 2 <http://dx.doi.org/10.1787/888933958904>

3.2. World Production

World milk production is expected to grow at 1.7% p.a. (to 981 Mt by 2028) over the next decade, faster than most other main agricultural commodities. In almost all regions of the world, yield growth is expected to contribute more to production increases than herd growth. The contradicting world average observation of a larger growth of herds (1.2% p.a.) than average yield growth (0.4%) is due to herds growing faster in countries with relatively low yields (Figure 3.2.1.). India and Pakistan are especially important for milk production and are expected to contribute to more than half of the growth in world milk production over the next ten years. They are also expected to account for more than 30% of world production in 2028. Production will occur mostly in small herds of a few cows or buffaloes. It is expected that yields will continue to grow fast and contribute more to production growth. In both countries, the vast majority of production will be consumed domestically as few fresh products and dairy products are traded internationally.

Production in the European Union, the second largest producer, is projected to grow more slowly than the world average. The European Union’s medium-term growth is due to a small increase in domestic demand (cheese, butter, cream, and other products) as well as an increase in global demand for dairy products. Growth in EU milk production will stem from an increase in milk yields, which are projected to grow at 1.1% p.a. over the next decade. Dairy herds are expected to go on a declining trend again (-0.5% p.a.) following an increase in the early years of the projection period in response to the abolition of milk quotas. The European Union production originates from a mix of grass-based and feed-based production systems. In addition, a growing share of milk produced is expected to be organic; more than 10% of dairy cows today are in organic systems in Austria, Sweden, Latvia, Greece, and Denmark. About 3% of European Union milk production at present comes from organic farms with relatively low yields, but a considerable price premium for milk. The highest average yield per cow is expected to occur in North America as the share of grass-based production is low and feeding is focused on high yields (Figure 3.2.1). Cowherds in the United States and Canada are expected to remain largely unchanged and production growth to originate from further increases of what are already high yields. As domestic markets are saturated and the milk fat demand continues to increase, US exports will mostly be in the form of SMP.

Figure 3.2.1. Milk production and yield in selected countries and regions



Note: The yield is calculated per milking animal (mainly cows but also buffaloes, camels, sheep and goats)
 Source: OECD/FAO (2019), “OECD-FAO Agricultural Outlook”, OECD Agriculture statistics (database), <http://dx.doi.org/10.1787/agr-outl-data-en> . StatLink 2 <http://dx.doi.org/10.1787/888933958961>

3.3. World Consumption

Most of dairy production is consumed in the form of fresh dairy products. The share of fresh dairy products in global consumption is expected to increase over the coming decade due to stronger demand growth in India and Pakistan in particular, which in turn is driven by income and population growth. World per capita consumption of fresh dairy products is expected to increase by 1.0% p.a. over the coming decade, slightly faster than over the past ten years, driven by higher per-capita income growth (rising middle-class).

The level of milk consumption in terms of milk solids per capita will vary largely across the world (Figure 3.1). One reason is tied to income per capita but the impact of regional preferences will also be an important factor. For example, the per capita intake in India and Pakistan is expected to be high, but low in China. In all countries, the share of processed dairy products in the overall consumption of milk solids is expected to be closely related to income.

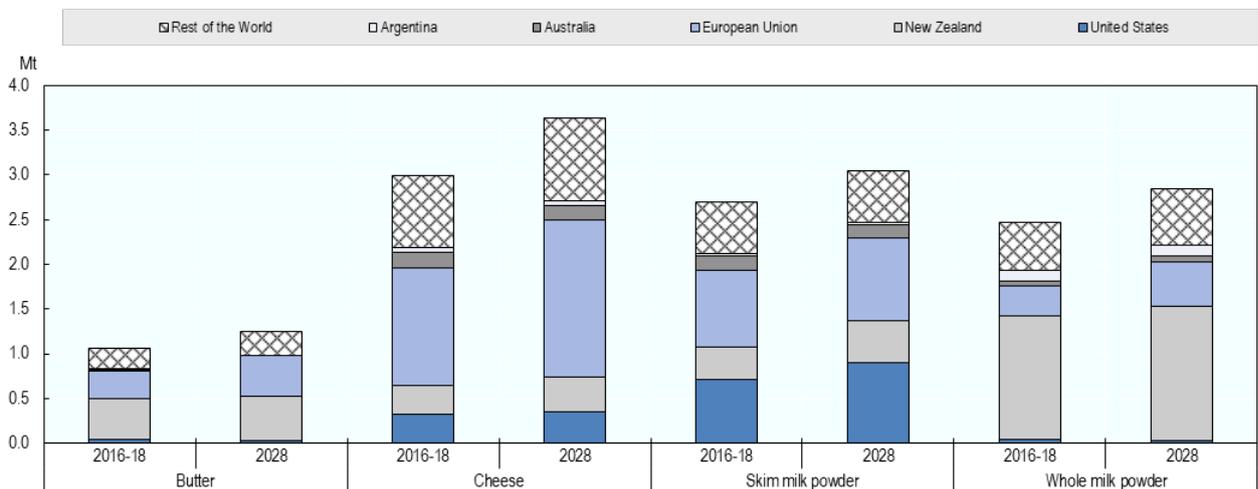
In Europe and North America, overall per capita demand for fresh dairy products is declining, but the composition of demand has been shifting over the last several years towards dairy fat, e.g. full-fat drinking milk and cream. This is to some extent due to recent studies that have shed a more positive light on the health benefits of dairy fat consumption, as well as to growing consumer preference for taste and less processed foods.

Cheese consumption, the second most important dairy product in terms of milk solids, occurs primarily in Europe, North America and Oceania, and per capita consumption is expected to continue to increase. The dominant use of SMP and WMP will continue to be in the manufacturing sector, notably in confectionary, infant formula, and bakery products.

3.4. World Trade

The four major exporters of dairy products in the base period are New Zealand, the European Union, the United States, and Australia. These four countries are expected to jointly account for around 75% of cheese, 78% of WMP, 79% of butter, and 81% of SMP exports in 2028. In the case of WMP, Argentina is also a main exporter, and is expected to account for 5% of world exports in 2028. In recent years, Belarus became an important exporter, orientating its exports primarily to the Russian market.

Figure 3.4.1. Exports of dairy products by region



Source: OECD/FAO (2018), “OECD-FAO Agricultural Outlook”, OECD Agriculture statistics (database), <http://dx.doi.org/10.1787/agr-outl-data-en> . StatLink 2 <http://dx.doi.org/10.1787/888933958980>

The European Union will continue to be the main world cheese exporter, followed by the United States and New Zealand. It is projected that the European Union’s share in world cheese production will be around 48% in 2028, and sustained by increased cheese exports to Canada via the CETA agreement and to Japan following the ratification of the bilateral trade agreement in 2019.

3.5 Main World issues and uncertainties

World production may be constrained because of unforeseen weather events, which affect grazing based milk production, the dominant production method worldwide. Climate change increases the chances of drought, floods and disease threats, which can affect the dairy sector in several ways (price volatility, milk yield, cow inventory adjustments).

The seasonality of milk production in the case of grass-based systems resulted in seasonal variation of international prices with peaks around the mid of the calendar year, especially for butter. This development was more visible during the period of high butter prices in recent years.

Environmental legislation can have a strong impact on the future development of dairy production. Greenhouse-gas emissions from dairy activities make up a high share of total emissions in some countries (for example New Zealand, Ireland). Any changes in related policies could affect dairy production. The increase trends toward sustainable practices such as water access and manure management are additional areas where policy changes could have an impact.

In recent years, the role of plant-based dairy substitutes (e.g. soya, almond, rice and oat drinks) in the fluid milk sector has increased in many regions, e.g. North America, Europe and East Asia. Causes include lactose intolerance but also discussions on the health and environmental impact of dairy. Growth rates are strong from a low base, but conflicting views exist regarding the environmental impact and relative health benefits of plant-based dairy substitutes. As a result, there is again uncertainty on the long-term impact this will have on dairy demand.

Changes or creation of trade agreements would affect dairy demand and trade flows. For example, large amounts of cheese and other dairy products are traded between the European Union and the United Kingdom, and this could be affected by Brexit, while the USMCA is expected to influence dairy trade flows in North America. The Russian Federation's embargo on several dairy products from major exporting countries is expected to end in 2019 and imports are expected to increase slightly, although they do not seem likely to return to the pre-ban levels.

3.6 Colombia, Peru, Ecuador: The Andean Community

The EU has a comprehensive Trade Agreement with Colombia and Peru, which has been provisionally applied, with Peru since 1 March 2013 and with Colombia since 1 August 2013. On 1 January 2017, Ecuador joined the trade agreement.

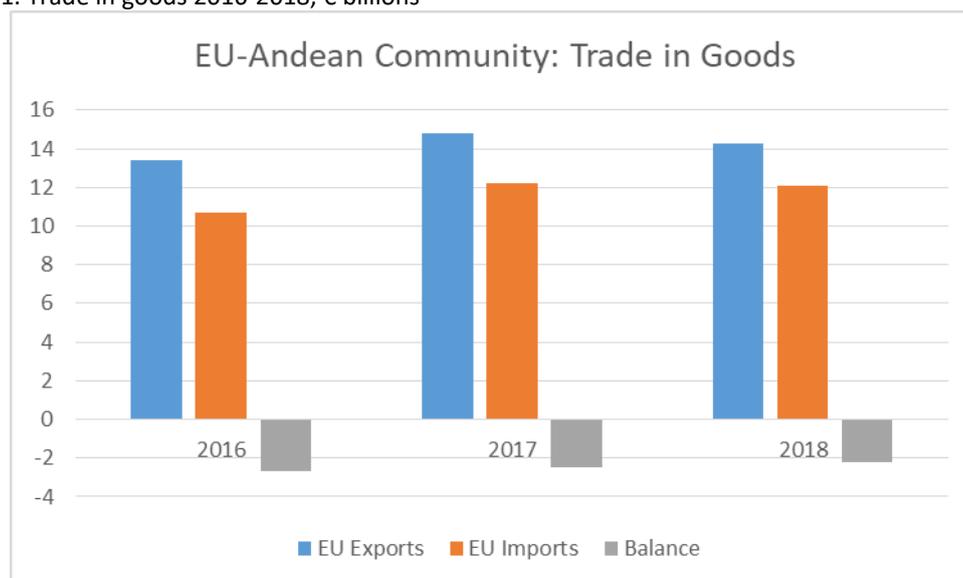
The agreement gradually opens markets on both sides and increases the stability and predictability of the trade and investment environment.

The fourth annual report on the trade agreement's implementation was issued on 31 October 2018.

Trade picture

- The EU is the third-largest trade partner and a major investor in the Andean countries. In 2017, total trade between the EU & Andean Community was worth around €25.7 billion.
- The Andean countries export agricultural products (47%) and fuels & mining products (38.1%) to the EU
- The EU exports manufactured goods, notably machinery and transport equipment (41.8%) and chemical products (22.1%) to the Andean countries

Figure 3.6.1. Trade in goods 2016-2018, € billions



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EU and the Andean Community

The EU, Colombia and Peru concluded trade negotiations in 2011. The EU-Colombia/Peru Trade Agreement was signed on June 2012. The agreement has been provisionally applied with Peru since March 2013 and with Colombia since August 2013.

The negotiations for Ecuador's accession to the trade agreement with Colombia and Peru were concluded in July 2014. The Protocol of Accession for Ecuador was signed in November 2016 and has been provisionally applied since 1 January 2017.

Benefits of the trade agreement include:

- opening markets for goods, services, government procurement and investment
- better conditions for trade through new rules on non-tariff barriers, competition, transparency and intellectual property rights
- a more stable and predictable environment for businesses with a bilateral dispute settlement mechanism and a mediation system for non-tariff barriers
- arrangements for cooperation on competitiveness, innovation, production modernization, trade facilitation and technology transfer
- a comprehensive Trade and Sustainable Development chapter with commitments aimed to ensure high levels of labor and environmental protection, which includes a transparent arbitration system and procedures to engage with civil society

Committees and Dialogues

The EU and Colombia, Ecuador and Peru meet regularly to discuss issues and best practices relating to the implementation of the Trade Agreement. The Trade Committee and eight specialized Sub-committees established by the Agreement meet annually.

Trading with Andean countries

The results after almost five years of provisional application in the case of Peru and Colombia, and one year in the case of Ecuador, are positive. Bilateral trade in 2017 increased with all three countries, and the Agreement had a stabilizing effect in the context of declining commodity prices which affected the economy of Andean Community countries. The Agreement offers tariff-free access for virtually all industrial and fishery products from the three countries, and substantial tariff preferences for the few agricultural products which were not

fully liberalized, with very few exceptions. This improved market access, more predictable trade and investment relationship and the better rules have helped partner countries diversify trade and notably Andean Community country exports. Regarding EU exports, several industrial sectors including pharmaceuticals, machinery and vehicles, have also strongly benefitted from the improved market access.

Trade in agricultural goods

Colombia

EU exports to Colombia of agricultural products increased by 6% in 2017, and were dominated by:

- Beverages and spirits (HS22) at EUR 88 million, or 22% of EU exports of agricultural products to Colombia;
- Preparations of a kind used in animal feeding (HS2309) increased by 48 times, now representing 0.9% of EU exports;
- Preparations of cereals, flour, starch (HS19) and vegetables, fruits, nuts & plants (HS20) account for 0.6% of exports each.

EU imports of agricultural products from Colombia increased by 13% from 2016 to 2017, reaching a total of EUR 2.4 billion. The most important categories in 2017 were:

- Fruits (HS08), accounted for 19.4% of total imports, up by 12% compared to 2016. Bananas represent 84.3% of all fruits exported, followed by avocados with 5.4%. From 2016 to 2017 there was a strong increase in exports of bananas (10%), plantains (10.1%), dried pineapples (56.5%), avocados (40.2%), guavas, mangoes and mangosteens (26.7%), oranges (80.3%), and lime (54.1%);
- Coffee (HS09), increasing by 4%, represents 10.8% of EU imports;
- Crude palm oil (HS151110), 5.17% of imports, and crude palm kernel, 1% of imports, posted increases by 75.5% and 6.7% respectively.

Total EU imports of agricultural products from Colombia increased by 55.3% since 2012, and now account for 42.7% of Colombian exports to the EU, versus 17.8% in 2012.

Peru

EU exports to Peru of agricultural products increased by 4% in 2017. The most important categories in 2017 were:

- Beverages and spirits (HS22), accounting for 25% of total EU exports of agricultural products to Peru;
- Preparations of vegetables (HS20), increased by 32% compared to 2016;
- **Dairy products (HS04), posting a strong 51% increase compared to 2016 thanks to the introduction of a harmonized import certificate.**

EU imports of agricultural products from Peru decreased by 2.1% from 2016 to 2017. The most important categories in 2017 were:

- Fruits (HS08), accounted for 16.3% of total imports, up 9% compared to 2016; Avocados accounted for 38% of all fruits exported, a 21% increase, followed by mangos with 15% (-0.4%), fresh grapes for 14% (-3%), fresh cranberries for 9% (-7.6%), fresh bananas for 9% (+1.7%);
- Coffee (HS09) now represent 6.6% of total Peruvian exports to the EU;

Total EU imports of agricultural products from Peru increased by 39.5% since 2012. Agricultural products now account for 35.2% of Peruvian exports to the EU, versus 24.4% in 2012.

Ecuador

EU exports of agricultural products to Ecuador grew by 34% year-on-year. Key EU exports of agricultural products were:

- Miscellaneous edible preparations exports (HS21) grew by 19% corresponding to a 0.86% of total exports;
- Beverages and spirits (HS22) exports increased substantially by 262% and occupied 0.8% of EU total exports.

EU imports of agricultural products from Ecuador reached a total of EUR 1.57 billion. The EU consolidated its position as the first trading partner for Ecuadorian non-oil exports. The most important categories were:

- Fruits (HS08) grew by 17% year-on year, and represented 31.5% of total EU imports, with banana imports accounting for almost 94% and growing by 17% in 2017. Other fruits grew as well: pineapple by 27% and tamarind by 49%;
- Live trees and other plants (mainly fresh cut flowers) (HS06), remained stable and accounted for 6.2% of Ecuador's exports to the EU;
- Cocoa and cocoa preparations (HS18) decreased by 13%, and account for 6.1% of total EU imports.

Ecuador exports of agricultural to the EU increased by 5% in 2017 compared to 2016; and represent 55% of total Ecuadorian exports to the EU.

Dairy Trade: Cheese

The charts that follow show French/EU Cheese Exports to the Andean Community in value (€) and Volume (tons)

In 2018, the EU exported over nine million euros worth of cheese to the three countries. French cheese represented 27% or €2,488,862.00 worth of cheese.

Figure 3.6.2. Total French & EU Cheese Exports to the Andean Community

VALUE		€								
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj
France	TOTAL	1,578,999	1,745,388	2,251,047	2,488,863	3,799,195	4,766,867	6,018,500	7,646,948	9,778,045
Europe		5,711,350	6,621,266	9,586,615	9,271,666	11,979,797	14,492,481	17,589,930	21,424,036	26,190,887
% France		28%	26%	23%	27%	32%	33%	34%	36%	37%
VOLUME		tons								
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj
France	TOTAL	241	346	404	499	685	916	1,240	1,698	2,352
Europe		1,005	1,258	1,777	1,655	2,299	2,874	3,621	4,600	5,897
% France		24%	27%	23%	30%	30%	32%	34%	37%	40%

Volume wise, total EU exports in 2018 were of 1,655 tons of which 499 tons or 30% came from France. Projected numbers show an increase in the years to come if the campaign is set in motion.

Now, an overview of EU cheese exports per country.

In 2018, **Colombia** imported over 4.5 million euros worth of cheese from the European Union. 30% of it, French cheeses. Year over year projected values look promising.

Figure 3.6.3. French & EU Cheese Exports to Colombia

VALUE		€								
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj
France	TOTAL	675,071	695,845	1,157,552	1,350,212	1,995,537	2,616,600	3,430,954	4,498,756	5,898,886
Europe		1,989,604	2,275,505	3,960,308	4,524,156	5,160,929	6,549,652	8,312,058	10,548,698	13,387,182
% France		34%	31%	29%	30%	39%	40%	41%	43%	44%
VOLUME		tons								
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj
France	TOTAL	97	169	200	299	403	576	823	1,177	1,681
Europe		267	397	672	741	861	1,154	1,547	2,074	2,780
% France		36%	42%	30%	40%	47%	50%	53%	57%	60%

Estimates for 2019 show a rise of 120 tons of additional EU cheese exports, as compared to the 2018 and a 7% increase in French cheeses. Projections look positive as exports more than double in 2021 from 2017.

Ecuador, below, represents the smallest market of the three countries but the largest gains after 2017. Ecuador imported €956,440 total EU cheese, 30% French, more than double from 2017 and projections shows excellent progress to come.

Figure 3.6.4. French & EU Cheese Exports to Ecuador

VALUE		€									
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj	
France	TOTAL	0	72,541	110,852	286,813	238,888	355,411	528,772	786,693	1,170,421	
Europe		190,662	233,438	392,587	956,440	863,536	1,335,519	2,065,474	3,194,401	4,940,365	
% France		0%	31%	28%	30%	28%	27%	26%	25%	24%	
VOLUME		tons									
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj	
France	TOTAL	0	15	25	66	54	83	129	200	309	
Europe		18	30	52	140	116	181	283	443	692	
% France		0%	48%	49%	47%	46%	46%	46%	45%	45%	

Volume wise we see the same exceptional growth from 2018 onward with a good portion of cheeses from France.

Peru shows great potential for EU cheeses, as well, with an increase of over two million euros from 2018 and 2019 estimates. There, a quarter of imported EU cheeses are of French origin.

Figure 3.6.5. French & EU Cheese Exports to Peru

VALUE		€									
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj	
France	TOTAL	903,928	977,002	982,643	851,838	1,564,770	1,794,856	2,058,774	2,361,500	2,708,738	
Europe		3,721,746	4,273,220	5,515,455	4,460,697	6,579,979	7,587,417	8,749,101	10,088,646	11,633,284	
% France		24%	23%	18%	19%	24%	24%	24%	23%	23%	
VOLUME		tons									
		2015	2016	2017	2018	2019 est.	2020 proj	2021 proj	2022 proj	2023 proj	
France	TOTAL	144	162	179	134	228	256	287	322	361	
Europe		721	830	1,054	774	1,322	1,539	1,791	2,084	2,426	
% France		20%	20%	17%	17%	17%	17%	16%	15%	15%	

The same growth patterns are seen volume-wise for EU cheese exports to Peru with an increase of 94 tons from 2018 and 2019 estimate, however, a smaller French part is noted of 17%.

Preference Utilization Rates (PUR) for EU-Colombia, Ecuador, Peru

In the context of the Sub-committee on Market Access, the Parties agreed in 2015 to exchange on an annual basis data on PUR. The EU stressed the need to have reliable data to get a better overview of the effect of the Agreement so far and explore means to assist economic operators, in particular SMEs, to make better use of its opportunities. For 2017, EU statistics indicate that approximately 97% of Colombia's and Ecuador's exports to the EU are made using the tariff preferences established by the Agreement, while 96% of Peru's exports make use of these preferences. The PUR on exports from the EU to Colombia for 2017 was 68%, a slight decrease from 71% in 2016. For Peru, PUR of EU exports have been rising over the past three years, albeit from a rather low level (28% in 2015; 47% in 2016 and 52% in 2017). The PUR on exports from the EU to Ecuador in the first year of the application of the agreement was 42%. 2.2. Trade in agricultural goods This section focuses on agricultural products as defined by Article

Use of Tariff-rate quotas

The Agreement provides for TRQs (TRQs) which grant the other Party preferential tariff treatment up to the quota's quantitative threshold, above which imports are subject to the applicable Most-Favored Nation tariff.

Conclusion and Outlooks

The Trade Agreement with Colombia, Peru and Ecuador functions well and has created important business opportunities, which are being increasingly seized by both businesses and exporters from both sides. The negative trend in trade flows linked to the decline of commodity prices and slow growth of domestic demand in the EU have been reversed during the reporting period, with all three partners reporting an increase in bilateral trade with the EU – 6.8% for Colombia, 15.7% for Peru, and an impressive 20% in the first year of implementation with Ecuador.

In the case of Colombia, the Agreement contributed to an important diversification of the country’s exports, notably in favor of the agricultural sector, thus creating regional employment opportunities positive for the implementation of the country's peace agreement.

In the case of Peru, the Agreement has contributed to a significant increase in the volume and variety of Peruvian exports to the EU, helping Peru to diversify its export base and its economy beyond its strong dependence on mineral commodities, and has thereby offered opportunities to capture higher layers of added value. Fresh agricultural products, fishery products and metallurgical products are the Peruvian products, which have benefited most from increased opportunities. This trend of increased exports of agri-food products has had a positive impact on Peruvian SMEs. EU exports have also generally improved, notably for products such as machinery, electrical appliances, vehicles, pharmaceuticals and medical devices.

EU imports from Ecuador are at a record high, while EU exports to Ecuador have increased by an impressive 36% in 2017. The Agreement has already shown benefits for Ecuadorian SMEs. Alike its Andean neighbors, the Agreement provides Ecuador a potential for growth and diversification.

In conclusion, the Agreement creates important benefits for business, consumers and civil society in general on both sides. The Commission will continue its efforts to promote the Agreement and to work with Colombia, Ecuador and Peru to ensure the full implementation of the Agreement in all its aspects.

3.7 Consumer, Market Structure and Trends

	Colombia	Ecuador	Peru
Pop. (millions)	49.83	16.5	32
GDP (billions USD)	309.2	108.4	198
GDP per Capita (USD)	6,273	5,185	6,172
Major Imports	Consumer oriented products, food processing industry	Agricultural Imports, consumer foods imports	Consumer oriented products, food processing industry
Main Trade Partners	USA 34%, Chile 13%, Mexico 11%	Chile 41%, Colombia 14.2%, USA 12.3%	USA 30%, Chile, Brazil, NZ
Major Supermarkets	Grupo Exito (Exito, Carulla, Pomona), Olimpica, Cencosud (Jumbo)	Corporación Favorita (Supermaxi, Megamaxi, Aki), Corporación El Rosado (Mi Comisariato), Supermercados TIA, Supermercados Santa Maria, Hypermercados Coral	Cencosud (Wong and Metro), Saga Fallabella (Tottus) and Supermercados Peruanos (Vivanda and Plaza Veja).
VAT	19%	12%	18%
Adv	EU-Andean FTA, EU agricultural products have a reputation for high quality, The growth of tourism and the hotel and restaurant sectors, growing middle class, specifically youth and working women, market opportunities for healthy and natural foods.	EU-Andean FTA, EU agricultural products have a reputation for high quality, The growth of tourism and the hotel and restaurant sectors, dollarization has brought a measure of economic stability for importers and improved consumer purchasing power.	EU-Andean FTA, Active supermarket industry that promotes increased demand for high-value food products. Appreciation for EU food quality and culture. Increased health consciousness among the Peruvian population. Middle-class expansion. With culinary tastes increasingly sophisticated, demand for high-quality food products is growing.
Risks	Colombia has trade agreements with many other countries increasing competition with EU products; EU products will have to maintain the reputation of higher quality in order to be competitive with local food processing companies, guaranteeing a consistent and uniform supply of products year round; Internal transportation costs from ports of entry are costly due to extremely poor infrastructure; Cold chain is deficient and Colombians have no clear understanding of this need to maintain product quality.	Consumption of more expensive imported food and beverage products may slow as the economy is still weak. Local food processing industry is not always able to offer competitive market prices. Ecuador is a relatively small market, a constraining factor for exporters	Supermarkets, the main source of imported food products, account for only 30 percent of the retail food market share in Lima and 20 percent in the provinces. New local food brands are appearing in the market at very low prices. Government organized food promotion campaign called “Buy Peruvian.”

Colombia:

Colombian Gross Domestic Product (GDP) grew at 1.8 percent in 2017, slower than previous year growth rates, but still higher than other Latin American economies. According to the World Bank’s 2018 Doing Business survey, Colombia has the third best business environment in Latin America, after Mexico and Chile.

Millions of Colombians have moved out from poverty and into the low and middle income classes. These income adjustments have resulted in more household disposable income and changes in eating patterns, such as shifting diets from vegetable to animal proteins. Recent tax reform led to a VAT increase from 16% to 19% that increased prices and affected Colombian consumer decisions. Consequently, consumption has been affected and households have reduced luxury expenses while they adapt to the new VAT.

Colombia is the third most populated country in Latin America after Brazil and Mexico at 50.3 million inhabitants. About 78 percent of the Colombian population resides in urban areas. Colombia is atypical of Latin America with decentralized urban centers and four cities with over one million residents: Bogota, Medellin, Cali and Barranquilla. Urbanization keeps growing, stimulating changes in lifestyles and eating patterns. Urban households in Colombia are becoming more typically dual income, resulting in an increasing demand for processed food and shopping convenience. Family size is decreasing, and it is expecting to continue this trend. In Bogota, the average household is 3 members in 2019 and will be 2 in 2050.

Bad dietary habits are a major issue for the country since they are associated with obesity and heart disease. According to the National Statistical Department (DANE), 42.7% Colombians do not have a balanced diet. Obesity and overweight affect over 50% of Colombian adult population. Although still relatively low in Colombian children (24.4%) compared to other Latin American countries, the problem is growing, mainly among teenagers. Heart disease is the leading cause of death in the country. The Government of Colombia, specifically the Ministry of Health, has developed the National Strategy on the Reduction of Sodium Intake. In addition, some initiatives regarding advertising for food products for children are becoming popular. Food manufacturers have positively reacted by developing healthier products and promoting healthier lifestyles.

While beer is the most consumed alcoholic beverage in Colombia, consumption of non-alcoholic drinks is increasing as a result of a higher demand for bottled water, fruit-flavored drinks, sweet tea, and sports and energy drinks.

Western style, large supermarkets are part of a noteworthy retail transformation in the last decade with major, domestic and international grocery chains opening new stores, of varying sizes, at intense rates. Over the past years, discount stores have increased market share and continue opening outlets throughout the country offering wide private label portfolios cheaper than grocery chains. Traditional retail is still the most common retail format in Colombia. Outlets are small, independent and are present all around the country; a recent commerce surveys concluded that in Bogota there is a mom-and-pop store for every 94 homes and 49% of consumers prefer buying in this kind of stores because of proximity, convenience, product portfolio and services that are not found in other formats.

New generations' consumption is more conscious, and consumers are looking for products that suit their demands in terms of quality and sustainability. A recent retail survey concluded that 59% of Colombian consumers would change their purchase habits in order to reduce product environmental impact, even if it means changes in packaging, brand or product design.

The biggest retail player (Grupo Exito) has innovated through new retail formats and transformed a few Exito hypermarkets into Exito WOW and some Carulla supermarkets into Carulla Fresh Market in order to respond consumers' demands. The first format wants to ease and improve the shopper experience integrating offline and on-line platforms, targeting different market segments based on new lifestyle trends and engaging customers through services such as free Wi-Fi, cocktail bar, artisanal bakery and restaurant.

Carulla Fresh Market highlights healthy, homemade and fresh products to a niche market looking for high quality food and beverages where origin and sustainability are crucial for consumers.

Online commerce is becoming more common among Colombians. Most retailers have websites available for shopping online and all kind of smartphone applications ease the grocery shopping experience. According to Euromonitor, food and beverages are among the products preferred by Colombian consumers when buying online.

Retail sector in Colombia continue to thrive because of a robust economy and a growing middle class. Consumer preferences are changing since population are aging, family average size decreasing and new generations demanding sustainable products.

Colombia is a fast-growing market for value-added food products. Surveyed retailers and food importers feel there is significant potential for new products in all food categories. Healthy and ethnic food categories are especially new and fast growing. Wines and gourmet products are penetrating the market with excellent results. Organic food products are a new trend and retailers are searching for the best suppliers.

Ecuador

While Ecuador continues to face economic stagnation linked to government debt and liquidity, opportunities exist for food and agricultural products. Domestic production cannot meet consumer demand, necessitating continued imports. Additionally, younger and lower to middle-income consumers’ purchasing power and appetite for imports continues to grow. The Ecuador-EU Free Trade Agreement threatens the United States’ market share in processed and fresh products.

Ecuador’s population of 16.5 million inhabitants with a median age of 28.1 years continues growing at just under 1.3 percent per year. These younger and lower to middle income consumers’ purchasing power and appetite for imports remains strong despite the economic slowdown in recent years.

Ecuadorian eating habits have changed over the years. With dual income households on the rise and commute times and distances getting longer, consumers are increasingly turning to fast food and processed food products. Strategic alliances with producers are allowing local supermarkets to carry a growing number of store branded products. Competition is fierce. To seize market share, distributors will often discount products 10-20 percent in stores to build product awareness and demand.

Forty-eight percent of Ecuadorians are reported to purchase their food at local grocery stores. Monthly food expenditures are roughly \$250 on average.

Most middle to high-income consumers (36% of Ecuadorians) purchase food products in modern supermarkets. Supermarket store sales are trending upwards in part due to the stores’ cleaner, more organized format and greater imported product availability. Most supermarket chains have stores in the large and medium cities and in many small cities they operate under different names. Exporters should directly contact importers, wholesalers/distributors, or supermarkets. There are niche markets for high value products for high-income consumers, for whom pricing is not necessarily a concern. The use of point-of-purchase (POP) material is recommended, as well as promotional campaigns and samplings.

Distributors and wholesalers conduct frequent in-store promotional activities, assigning their own support personnel in each store. Distribution channels vary between locally sourced products and imports. Retail food companies will seek to import directly to bypass brokers and lower costs. Retailers nonetheless continue to purchase significant volumes from local importers/distributors, especially for high demand items.

Peru

Peru’s Central Bank estimates nation’s GDP growth at 4 percent for 2018. This growth is driven by an increase of domestic consumption stimulated by a better performance of the mining sector that helped the creation of new jobs. The country’s population has increased in almost 6.5 million habitants in the last seventeen years. Current data puts Peru’s population at 32 million and it is the fifth most populated country in South America after Brazil, Colombia, Argentina and Venezuela. The coastal area holds 50 percent of the total population being Lima the largest city with 9.5 million.

For over a decade, Peru has been one of the world’s top performing economies, registering sustained high growth accompanied by low inflation. The two main important achievements of this economic expansion have been the substantial reduction of poverty and the surge of an emerging middle class. According the National

Statistics Institute (INEI), almost 43 percent of the population belongs to this socioeconomic group. However, one of the most notable vulnerabilities of this emerging middle class is its high labor informality, which distances it from a stable middle class and subsequently productivity growth. Peru's government efforts aim to reduce informality and it is working on strategies that stimulate employment as creating opportunities to improve foreign investment.

Peru is a member of a number of bilateral and multilateral trade agreements that have opened new markets for its exports and increased demand for imported goods. This openness to international trade and Peru's growing middle class has transformed domestic food market channels. The number of malls in Peru increased from seven in 2000 to 79 in 2017. Total 2018 sales in this sector are forecast at \$8.5 billion.

Peru's food retail market continues to grow. This expansion is fueled by a proliferation of small format stores. The market currently holds over 450 convenience stores and 259 conventional supermarkets. The sector's expansion strategy targets Lima's lower to middle income districts. Peru's retail food market is projected to grow 4.7 percent in 2019.

Supermarkets target mainly middle- and upper-income class consumers. Deals directly with supermarkets are often under exclusivity terms. Importers generally purchase based on price and quality. There exists, however, niche markets for high value products for upper income consumers, where pricing is not necessarily a concern.

Supermarkets are also branching out into e-commerce, offering special discounts in different categories. However, this is still an immature channel for food sales. The modern retail channel experienced a high rate of growth over the past 10 years. Compared to other countries in the region, Peru's food retail market is still in the growth stage. In 2019, retail food sales are projected to grow at 4.7 percent, reaching \$22 billion by the end of the year. Projected sales in 2019 are based on the maturity of new stores, the development of convenience store formats, and aggressive discounting campaigns that encourage sales.

There are three main supermarket chains in Peru: Cencosud (Wong and Metro), Saga Fallabella (Tottus) and Supermercados Peruanos (Vivanda and Plaza Vea). The market includes 250 conventional supermarkets and superstores (with 171 alone in Lima) and 450 convenience stores (with two outside of Lima). Mostly in Lima, Arequipa and Piura. Conventional supermarket chains and convenience stores are expanding into Lima's lower-middle income districts as well. These retailers benefit from consumers' improved access to credit, through which they entice buyers with deep discounts on certain items when utilizing store credit cards.

Peru's retail food market is projected to grow 4.7 percent in 2019.

Major supermarket chains are forceful negotiators. Supermarket suppliers offer a wide range of products. Major food importers/distributors supply all major supermarket chains and provincial retailers. Major supermarket chains will request product exclusivity. Food products are often imported in consolidated containers. Major supermarket chains import high-end products directly to earn higher margins. Distributors and wholesalers conduct frequent in-store promotional activities, assigning their own support personnel in each store.

Strong demand continues for imported food products and ingredients. Growth in demand is attributed to a combination of strong consumption by middle class consumers, population growth, and tourism. EU food products are known for their quality, consistency, and practicality.

ARTICLE 4: DESCRIPTION OF THE SERVICES

4.1 CONTENT OF THE SERVICES

4.1.1. FIRM TRANCHE

Firm tranche must be completed by **06 April 2020 by noon ET.**

The successful tenderer shall:

- 1- Prepare all Activity Forms according to the model imposed by the European Union and provided by CNIEL:
 - Definition of the Work and Activity Lots
 - Detailed description of the activity
 - Precise list of deliverables for the 3 years of the program
 - Quantify deliverables
 - Result Indicators
 - Budget analysis / cost by post
- 2- Help CNIEL write and proofread the entire application before submission to the European Commission.

4.1.2 CONDITIONAL TRANCHE

If the co-financing application were to be accepted by the EU and funding approved, the successful tenderer will implement the information and communication program, as it was presented in the application for the duration of the campaign.

- GENERAL OBJECTIVES

The general objective of the information provision and promotion measures is to enhance the competitiveness of the Union agricultural sector.

The specific objectives of the information provision and promotion measures are to:

- (a) Increase awareness of the merits of Union agricultural products and of the high standards applicable to the production methods in the Union
- (b) To recognize the European cheese* culture made up of a wide variety of cheeses, their flavor and their excellent quality, whether industrial or artisanal cheeses, spreadable or not, soft or hard.
- (c) Consumer top-of-mind awareness of the European dimension of cheese, its culture, demonstrating that cheese is an exemplary product of European agriculture.
- (d) To improve the level of knowledge about European cheeses and its merits among the targets: high-end revenue consumer and particularly the foodies
- (e) Strengthen the use of cheese (its uses, its means of consumption), integrating it into local culinary cultures, demonstrating its daily use
- (f) Show that cheese is an authentic product and therefore highlight the specificities of European cheese in terms of authenticity, quality, taste, tradition
- (g) Support all European cheese markets to better position it against other imported cheeses (USA, Brazil, Chile, Argentina ...), local cheeses
- (h) The general objective of the campaign is to become the authority of French cheese (cow's milk) within the context of EU imported cheeses
- (i) Focus on creating quality content to engage foodies & influencers on social media
- (j) Influence the foodie community and subsequently their followers by broadcasting content through their channels
- (k) Reinforce French cow's milk cheese consumption as a pleasurable everyday staple to foodies and food adventurers
- (l) Reinforce French cow's milk cheeses to trade (importers/distributors/retailers)

***This call for tender focuses on the promotion of quality European cheeses, in particular, French cheeses produced in France using cow's milk. Similar cheeses not produced in EU/France cannot be included.**

- STRATEGY OF THE PROGRAMME

The strategy of the campaign is to promote and rapidly position EU and French cheeses begat of EU Agriculture and better position it in relation to other imported cheeses (USA, Brazil, Chile, Argentina...) but also against local cheeses.

The program targets to increase knowledge and accessibility of cheese by:

- Targeting the use of cheese in-line with local consumption habits but also in-line with major international trends promoting European gastronomy and therefore the products used
- Improve in-store visibility to use as a vector for consumer education
- Promotion and communication actions that will enable the targets to be aware of how to enjoy/incorporate cheese into their daily diets and local culture, local recipes, local eating habits
- Finally, to increase the volumes of European cheese exports
- Directly reach the targets by relying on the proposed communication actions

The proposed strategy aims to increase the consumption of European cheese in the target markets by developing event actions, in-store demos and information actions in order to obtain a fast return based on the following levers:

1. Reinforce the image, the knowledge and therefore the recognition of European cheeses
2. To highlight the dimensions and the ease of use of European cheese through the variety of uses and everyday consumption
3. Promote cheese that represents both a culture and a European heritage by insisting on:
 - The specificity of cheese as an inimitable product
 - An essential product from European agriculture
 - The practicality - adapts to multiple uses, to multiple preparations and moments of consumption
 - The natural and authentic character of cheese, an environmentally friendly product, made from raw materials of excellent quality and subjected to high safety standards.

The strategic choices to achieve the objectives are:

- Raise awareness among foodies/food adventurers
- Educate foodies/food adventurers and web users through web tools, while developing a viral communications strategy based on social networks. Links can connect to websites such as members companies, recipe corners, magazines or related articles. It is also possible to create web pages for specific events/campaigns
- Raise awareness among the media and key influencers through dedicated media relation tools (such as press releases and media kits) and meetings with journalists (events, conferences, workshops, etc.)
- Raise awareness among the media and foodies/food adventurers through events such as pop-up stores or desk-side tours or any other events likely to generate media coverage, etc.
- Raise awareness among professionals (importers/distributors of French cheeses)

- MAIN MESSAGES TO BE COMMUNICATED

- The production of educational/informational documents including the EU's production methods, particularly, in terms of food safety, traceability, authenticity labelling, clean labelling, nutritional and health aspects, animal welfare, respect for the environment and sustainability
- Recipe cards or booklets suited to the country's culinary tastes
- The posting of content on social networks: background documents, photographs, recipes, videos, etc.
- Raise awareness of the authenticity of EU protected designation of origin (PDO), protected geographical indications (PGI) and traditional specialties guarantee

- TONE AND AREAS OF CREATIVE FOCUS

Contemporary, based on pleasure, quality and tradition, while relating to what appeals to the local foodie/food adventurer. Tone should be non-intimidating, accessible and trendsetting.

The agency may propose any art direction that it deems relevant.

The agency will propose a generic campaign hook 'Europe' (1st intent) supplemented by a catch phrase 'France' (2nd intent).

EU General Requirements for origin mention in all information and promotional material

1. The main message of the program shall be a European Union (EU) message and shall not focus on a specific origin.
2. Any mention of origin shall fulfil the following cumulative conditions:
 - (a) it shall not amount to a restriction of the free movement of agricultural and food products in breach of Article 34 of the Treaty on the Functioning of the European Union;
 - (b) it shall not encourage consumers to buy domestic goods solely by virtue of their origin and shall refer to the particular properties of the product rather than the sole origin; and
 - (c) it shall complement the main EU message. 13.10.2015 L 266/16 Official Journal of the European Union
3. The main Union message of the program shall not be obscured by material related to the origin of the product, such as pictures, colors, symbols or music. The mention of origin shall appear in a separate area from that devoted to the main Union message.
4. The mention of origin on information and promotional material shall be limited to visual material. No mention of the origin shall be made in audio material.

- RESOURCING STRATEGY

- Inform priority targets through events or other actions demonstrating the importance of cheese as part of a balanced daily diet
- Inform targets by means of proprietary tools to develop an actual viral communication strategy
- Raise press and influencer awareness

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:**
 - (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 itemized 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:

- An “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;
- An “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.

- **Firm tranche: €4,000.00 excluding VAT.**
- **Conditional tranche: €600,000.00 excluding VAT/year for all three countries.**

The total amount of the contract cannot under any circumstances exceed €600,000.00 excluding VAT/year, including the purchasing of space, evaluation, management charges and fees.

The amount of the agency's fees cannot exceed 15% of the total amount of the activities effectively done and/or coordinated, excluding the purchasing of space, and the amount of the agency's fees for the purchasing of space cannot exceed 5% of the amount of the Space Purchasing budget effectively incurred.

ARTICLE 6: INVOICING AND SETTLEMENT TERMS AND CONDITIONS

6.1 Invoicing terms

Firm tranche:

The CNIEL will make payment upon production of the invoice and provided the successful tenderer has performed its obligations and delivered the deliverables described in Clause 4.1.1 of these Specifications, within 30 (thirty) days from the end of the month in which the invoice is received.

Conditional tranche:

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

Each of the invoice shall in all cases be accompanied by all elements described in the article 4.2.1.

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:

	<p>Collective information and communication campaign in favor of EU Cheeses in Colombia, Ecuador and Peru 2021-2023</p>	<p>Page 19 / 25</p>
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CNIEL – *service comptabilité* (accounting department)
42 rue de Châteaudun
75 314 PARIS cedex 09
France

ARTICLE 7: PERIOD OF THE CONTRACT

The period of the **firm tranche** is from the time the successful tenderer is notified thereof until the application for co-financing is submitted to the European Union.

The period of the **conditional tranche** is 36 months.

The contract is not renewable.

The contract, which is entered into subject to written co-financing authorization being obtained from the European Union, 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 (France AgriMer).

ARTICLE 8: PLACE WHERE THE CONTRACT WILL BE PERFORMED

The services that are the subject of this contract shall be carried out in: Colombia, Ecuador and Peru (hereinafter the “Territories”).

ARTICLE 9: OBLIGATIONS OF THE SUCCESSFUL TENDERER

The successful tenderer undertakes:

- To perform the contract in accordance with the regulations in force in the Territories 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 Program 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 countries
- **European "Enjoy, It's from Europe" logo**
- **Logo Fromage de France**



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.

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 15 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

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 45, 46 and 48 of the order No. 2015-899 of 23 July 2015 relating to procurement contracts;
- 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 the proposing organizations, 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 endeavor 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

<https://op.europa.eu/en/publication-detail/-/publication/cd6b3f8f-63f6-11e4-9cbe-01aa75ed71a1>

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

http://data.europa.eu/eli/reg_del/2015/1829/oj

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

http://data.europa.eu/eli/reg_impl/2015/1831/oj





TENDER RULES

**DESIGN & IMPLEMENTATION OF A COLLECTIVE
INFORMATION AND PROMOTION CAMPAIGN FOR
EUROPEAN CHEESES
IN
COLOMBIA, ECUADOR & PERU
2021-2023**

PURCHASER: CNIEL – Centre National Interprofessionnel de l'Economie Laitière (French Interprofessional Center for the Dairy Industry)

Point of contact:

French Cheese Board/CNIEL
428 Broadway
New York, NY 10013
USA

Attention: Charles DUQUE

+1 646 645 0220 / cduque@cniel.com

TYPE OF TENDER: OPEN

Article 1: Composition of the tender file

These tender rules are intended to inform applicants of the procedures for awarding the contract **Design and Implementation of a Collective Information and Promotion Campaign for European Cheeses in COLOMBIA, ECUADOR & PERU 2021-2023**. It is an integral part of the tender file, which includes the following documents:

- the notice of the competitive public tender,
- these tender rules,
- data protection agreement,
- the brief (tender specifications).

Article 2: Division into lots

The contract is not divided into lots.

Article 3: Deadline for receipt of applications and bids (or tenders)

The deadline for receipt of applications and bids is **15 January 2020 by noon ET.**

Any files that are received by the purchaser after the date and time stipulated above, as well as those that do not comply with the formal requirements listed in Articles 5 and 6, will not be accepted.

Article 4: Period of validity of bids

Bids will be valid for 90 days as from the deadline for submitting bids.

Article 5: Presentation of applications

Applicants must submit the presentation file for their application, which shall include, in the following order:

- Forms DC1 and DC2, duly completed, dated and signed, or the European Single Procurement Document (ESPD) – or the equivalent document for service providers from outside the European Union;
- the extract of profit/loss account for the last three years and, as applicable, the revenue for the business segment that corresponds to the purpose of the contract, over the last three financial years for which information is available;
- A list of similar services provided during the last three years. The applicant shall state the amount, the date and the name of the public sector or private sector client, in compliance with any confidentiality requirements.
- In the event of an application by a grouping, the applicant shall specify the form of the grouping (whether the members are jointly liable or jointly and severally liable), designate the grouping's lead company and the authorization that empowers the lead company to make valid commitments on behalf of the grouping.
- Proof of insurance for professional risks;
- A declaration stating the applicant's average annual headcount and the proportion of management personnel for each of the last three years;
- A description of the applicant's material and human resources that provide the rationale for its capacity to perform the required services;
- The data protection agreement duly filled out and signed.

Article 6: Presentation of the bids

The bid must be written in French or English and contain a technical and financial memorandum made up of the following elements:

- **The successful tenderer's technical file, comprising:**
 - A communication and promotional strategy, justifying its choices with figures and calibrated data whilst proposing precise objectives over the 3 years of the program;
 - Details of the pointers for all of the actions defined (to be adapted depending on the target countries). The actions proposed will be based on strong messages to be communicated to the target audiences;
 - Time frame for the program: the successful tenderer will propose a time frame over 3 years based on specific elements;
 - A press and public relations strategy with the target press and influencers;
 - A viral digital strategy.

- **For each work package (WP), the tenderer shall propose:**
 - the organization of each action (target, activity, description of the activity/objectives, deliverables, messages to be communicated, action plan for logistics, materials produced, budget)
 - a precise scheduling for each action
 - key performance indicators (KPIs) per target which will be used as the basis for any evaluation
 - an estimate of the result for all of the program's actions

The tenderer shall submit these as a summary chart for each of its WP according to the following template (information provided as an example, see below):

The description should cover both the description of activities and the detailed analysis of the related budget.

Estimated costs should be given at the level of deliverables.

The planned activities shall be grouped into Work Packages (WP). A Work Package groups all the activities and related deliverables covered by one main line of the Detailed Budget, e.g. public relations, events, evaluation, etc.

A deliverable is a physical output of an activity, e.g. a seminar, point-of-sales action, etc. The level of details in the activities and budget presentation should answer the following about a specific activity: who, what, when, where and why.

For each activity, it is important to explain why this activity is planned (according to the objectives), define the target group(s) and their size, the period of implementation, where the activity will be organized, and the annual total costs.

Examples:

- In case of seminars: the presentation should give details on venue, agenda, participants, expected outcome, etc.
- As for the media campaigns, the presentation should give details on the overall budget invested in production and distribution of advertisements (i.e. media buy, including yearly discounts) as well as the campaign timing. It is not necessary to give details on the names of publications and TV stations. However, information such as coverage, reach, frequency, Gross Rating Points (GRP's) for the target groups reached should be given as an indication on the scope of the campaign.

The budget analysis shall provide a sufficient level of detail: using unit costs for each deliverable.

The template for description of activities and justification of the budget should be used for all Work Packages, which are planned to be implemented.

Work Package	6. Events		
Target groups	Indicate the target groups of the events		
Activity	Insert name of activity / or sub-activity		
Description of activity	Describe in detail the study tour organised		
Timeline	YEAR 1	YEAR 2	YEAR 3
Deliverables	1 Tour report with attendance sheets (in month 10)	1 Tour report with attendance sheets (in month 20)	1 Tour report with attendance sheets (in month 28)
Budget analysis	Flights and accommodation for 10 journalists/bloggers Interpretation and translation services, Hostess services Proposing Organisation A – 5 person-days	Flights and accommodation for 10 journalists/bloggers Interpretation and translation services, Hostess services Proposing Organisation A – 5 person-days	Flights and accommodation for 10 journalists/bloggers Interpretation and translation services, Hostess services Proposing Organisation A – 5 person-days
Sub-total for the Activity	Should correspond to the sub-amount in the Detailed budget		
And/OR			
Total for the work package	Should correspond to the total amount in the Detailed Budget		
Implementation	Implementing body X OR Proposing organisation Y		

- **The proposed budget must include:**
 - Using only column B, a precise budget for the 3 years of the program per Action (PR; Website, social media; advertising; communication tools; events; POS promotion; other; evaluation of results) according to the following template:

Headings	Years	A. Direct personnel costs	B. Direct cost of subcontracting	C. Other direct costs	TOTAL
3. Website, social media					
Website setup, updating, maintenance					
	Year 1				
	Year 2				
	Year 3				
Social media (accounts setup, regular posting)					
	Year 1				
	Year 2				
	Year 3				
Other (mobile apps, e-learning platforms, webinars, etc.)					
	Year 1				
	Year 2				
	Year 3				
	TOTAL				
4. Advertising					
Print					
	Year 1				
	Year 2				
	Year 3				
TV					
	Year 1				
	Year 2				
	Year 3				
Radio					
	Year 1				
	Year 2				
	Year 3				
Online					
	Year 1				
	Year 2				
	Year 3				
Outdoor, cinema					
	Year 1				
	Year 2				
	Year 3				
	TOTAL				
5. Communication tools					
Publications, media kits, promotional merchandise					
	Year 1				
	Year 2				
	Year 3				
Promotional videos					
	Year 1				
	Year 2				
	Year 3				
	TOTAL				

- a summary budget according to the following template (the actions or WP are given as an example):

ACTIONS/WP	YEAR 1	YEAR 2	YEAR 3	TOTAL
Action/WP 2 PR				
Action/WP 3 Website, Social Media				
Action/WP 4 Advertising				
Action/WP 5 Communication tools				
Action/WP 6 Events				
Total of the advertising space				

purchasing cost				
Total of the costs of the actions, excluding advertising space purchasing cost				
TOTAL OF THE ACTIONS				
Agency Fees for ad purchasing (maximum 5%)				
Agency Fees (maximum 15%)				
Evaluations of the results of the actions (maximum 3%)				
TOTAL direct costs for the program				
PROGRAM TOTAL				

The proposed budget must include and show separately, for each country:

- the total budget for the activities, excluding the costs of purchasing advertising space (hereinafter the “Activities Budget”);
- the agency fees for the Activities Budget, which cannot exceed 15% of the Budget of the Activities effectively done and/or coordinated;
- the total budget for the costs of purchasing advertising space (hereinafter the “Space Purchasing Budget”);
- the agency fees for the Space Purchasing Budget, which cannot exceed 5% of the Budget of the Space Purchasing effectively incurred.
- The agency coordination fees and the agency fees that are specific to an activity.

Please note that the total budget allocated to the project, as stated in the tender specifications, includes the program evaluation costs (3% of the Activities Budget and of the Space Purchasing Budget in years 1 and 2, and 5% in year 3).

Article 7: Required legal form for the grouping of economic operators that will be awarded the contract

Groupings of economic operators can submit bids, regardless of their legal form. If the contract is awarded, the economic operators in the grouping must be jointly and severally liable.

Article 8: How to obtain the tender file

The tender file is available free of charge and can be requested from Charles DUQUE cduque@cniel.com or downloaded at <http://www.filiere-laitiere.fr/en/appels-doffres>

Article 9: Deadline for amending the tender file

CNIEL reserves the right to make minor changes to the tender file six days at the latest before the deadline for the receipt of applications and bids.

It will inform all the applicants who requested the tender file of such amendments, under conditions that respect the principle of equality. Said applicants must then bid based on the amended file, without being able to make any claims in this regard.

Article 10: Rules on submitting applications and bids

Applications and bids must be submitted electronically.

Applications and bids shall be sent to the following address: cduque@cniel.com

It is recommended that bidders avoid submitting their application and their bid at the “last minute” and that they first carry out a test to ensure that they are completely familiar with how the electronic submission process works.

Bidders should note the following additional information:

- ✓ The compatible formats that the contracting authority can read are: .zip, .xls, .doc and .pdf. Applicants are requested:
 - not to use certain formats, such as .exe files
 - not to use certain tools, in particular macros
 - to ensure that the bid file is not too large
- ✓ For grouped applications, the lead company shall be responsible for the security and authenticity of the information provided on behalf of the members of the grouping.

Article 11: Review of applications

Application files will be reviewed by the Evaluation Committee in light of the administrative documents required.

Applicants will be eliminated if their economic and financial capacity and their technical and professional capacities are insufficient in light of the documents provided.

Applications for which the documents requested are absent or incomplete will not be accepted.

The purchaser may ask applicants to complete or explain the supporting documents or means of proof that are provided or obtained.

Article 12: Review of bids

Bids must comply with the requirements set forth in the tender documents and, in particular, in the tender specifications. Bids will be eliminated if they are deemed to be unacceptable, inappropriate or non-compliant.

The purchaser reserves the possibility of asking applicants to provide details on their bid.

The other bids will be ranked and the bid that is the best value for money will be chosen on the basis of the following criteria:

12.1 Bid selection criteria

1. Technical Value of the Proposal (max 60 points)
 - a. Understanding the project: relevance of the communication strategy based on the target and market (max 15 points)
 - b. Quality of the proposal/project angle, viewpoint (max 15 points)
 - c. Quality of digital tools: definition of an innovative digital strategy (max points 10)
 - d. Quality of the proposed coordination to execute the contract (max points 10)
 - e. Relevance and feasibility of the proposed actions (adequacy between the actions envisioned and the objectives) (max points 10)
2. Budget - Budget analysis by actions (max points 20)
3. Fees: (max points 20)

12.2. Total mark

The total mark for each applicant will be the sum of the marks obtained for each of the criteria.

The bid that obtains the highest mark will be ranked first. The bid that obtains the lowest mark will be ranked last. The applicant whose bid was ranked first will therefore be awarded the contract.

Article 13: Documents to be provided by the preferred bidder

The applicant to which it is planned to award the contract must also provide:

- an official record of criminal convictions; if the preferred bidder is located abroad, that bidder must provide the relevant record or, in the last resort, an equivalent document issued by the relevant judicial or administrative authority of its country of origin or establishment, attesting that the bidder is not excluded from tender procedures;
- the documents provided for in Articles D. 8222-5 or D. 8222-7 and D. 8222-8 or D. 8254-2 to D. 8254-5 of the French Labor Code, which must be provided every six months until the end of the performance of the contract;
- the attestations and certificates issued by the relevant administrations and organizations which prove that the bidder has complied with its tax and social security obligations. If the preferred bidder is established abroad, the bidder must provide a certificate issued by the administrations and bodies of its country of origin or establishment.
- form ATTR11 (contract agreement form) dated and signed by the person who is empowered to make binding commitments on behalf of the bidder (for groupings, the contract agreement form must be a single document) that the CNIEL will duly complete and send.
 - ⇒ In the event of the use of sub-contracting that is declared when the bid is submitted, the applicant must provide the CNIEL with a declaration that states:
 - The nature of the services that are sub-contracted;
 - The name of the person, the commercial name or the corporate name and the address of the proposed sub-contractor;
 - The maximum amount of the monies to be paid to the sub-contractor;
 - The payment conditions provided for in the draft sub-contracting agreement and, as applicable, any price variation terms;
 - As applicable, the sub-contractor's capacities on which the applicant has based its choice.

The applicant shall also provide the CNIEL with a declaration by the sub-contractor which states that the sub-contractor is not subject to a prohibition on bidding.

The notification of the contract to one of the bidders shall entail acceptance of the sub-contractor and approval of the payment conditions.

The preferred bidder shall provide these documents to the purchaser within the deadline that will be notified to it.

If these documents are not provided within the stipulated time-limit, the selected applicant's bid will be rejected, and the applicant eliminated. The following applicant in the ranking of the bids will then be asked to provide these documents before the contract is awarded to it.

Article 14: Additional information

In order to obtain all the additional administrative or technical information that they need, applicants must make a request, ten days before the deadline stipulated for the receipt of the bids, either by email to the following address: cduque@cniel.com , or by letter to:

**French Cheese Board/CNIEL
Charles Duque
428 Broadway
New York, NY 10013
USA**

An answer will then be sent to all the applicants under the same conditions, at the latest six calendar days before the deadline set for the receipt of the bids.

DATA PROTECTION AGREEMENT

ARTICLE 01 - OBJECT

This agreement defines the conditions under which the applicant _____ undertakes to perform, as subcontractor, on behalf of the CNIEL as controller, the processing operations of personal data defined in this agreement, where the applicant is retained for the contract which is the subject of the consultation and thereby becomes the successful tenderer (hereinafter 'the Successful tenderer').

In accordance with the provisions of Regulation (EU) No 2016/679 and French Law No 78-17 of 6 January 1978, the CNIEL and the Successful tenderer (hereinafter collectively referred to as the "Parties") undertake to take all precautions useful in order to uphold the rights of the persons concerned by the processing of personal data and to preserve, in all circumstances, the security and confidentiality of personal data. Each Party is responsible to the other Party and to third parties for compliance with the regulations on the protection of personal data as part of its activities under the contract.

For the purposes of this Agreement, the following words shall be understood as "personal data", "processing", "controller", "processor", "recipient", "consent", and "personal data breach" as defined in Article 4 of Regulation (EU) No 2016/679.

ARTICLE 02 - DESCRIPTION OF THE DATA PROCESSINGS

The Successful tenderer is responsible for performing the service subject of the contract (hereinafter the "Service").

To perform the Service, the personal data processing operations carried out by the Successful tenderer and its possible subcontractors are as follows:

- | | | | |
|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
| <input type="checkbox"/> collection | <input type="checkbox"/> hosting | <input type="checkbox"/> extraction | <input type="checkbox"/> consultation |
| <input type="checkbox"/> locking | <input type="checkbox"/> organisation | <input type="checkbox"/> use | <input type="checkbox"/> change |
| <input type="checkbox"/> Exchange | <input type="checkbox"/> Sharing | <input type="checkbox"/> Crossing | <input type="checkbox"/> Deletion |

If other(s), please specify : _____

The categories of persons whose personal data are collected are:

- | | | | |
|--|---|---|--|
| <input type="checkbox"/> CNIEL employees | <input type="checkbox"/> Industry professionals | <input type="checkbox"/> General Public/Consumers | <input type="checkbox"/> Other (specify) _____ |
|--|---|---|--|

The categories of personal data (hereinafter the "Data") processed relate to:

- | | | | |
|--|--|--|--|
| <input type="checkbox"/> directly identifying data | <input type="checkbox"/> Personal life | <input type="checkbox"/> Professional life | <input type="checkbox"/> Economic and financial data |
| <input type="checkbox"/> Connection data (internet, app) | <input type="checkbox"/> special categories of personal data | <input type="checkbox"/> Other (specify) _____ | |
| | If yes, specify _____ | | |

ARTICLE 03 – OBLIGATIONS OF THE SUCCESSFUL TENDERER

3.1. In all circumstances, the Successful tenderer undertakes to comply with all the following measures and enforce them by its employees as well as any other person(s) assisting her/him:

- Take into account, as regards its tools, products, applications or services, the principles of data protection by default, from the collection until their complete and irreversible deletion;
- Processing personal data only for the purposes of carrying the Service;
- Take all measures to prevent accidental or unlawful destruction, accidental loss, alteration and any misuse or fraudulent use of personal data;
- Guarantee the strict confidentiality of personal data, in particular by not disclosing it to other persons, whether private or public, physical or legal, except to its subcontractors, authorized by the CNIEL;
- Make no copy of the personal data, without the prior written consent of the CNIEL;
- Ensure that persons authorized to process personal data undertake to respect the confidentiality of personal data or are subject to an appropriate confidentiality obligation, and receive the necessary training in the protection of personal data
- Inform the CNIEL immediately if it considers that an instruction given by the latter constitutes a violation of Regulation (EU) No 2016/679, Law No 78-17 of 6 January 1978 and its implementing texts, any other provision of European Union law or the law of the Member States relating to the protection of personal data;
- Inform the CNIEL without delay of any request for access or communication from a third party that may or may not use an authorization resulting from the application of legal or regulatory provisions;
- Ensure complete traceability of data incidents or breaches
- Make no transfer of personal data outside the territory of the European Union and the European Economic Area, except in strict compliance with the conditions laid down in Regulation (EU) No 2016/679, to countries' third parties having an adequate level of protection in the sense of the supervisory authorities or to a subcontractor previously authorized by the CNIEL and signatory of the standard contractual clauses enacted by the European authorities.

3.2. As soon as it becomes aware of any violation or breach of personal data, the Successful tenderer shall notify the CNIEL within a maximum of twenty-four (24) hours.

The Successful tenderer shall provide the CNIEL at the time of notification of the incident, or if this is not reasonably possible, as soon as possible, after the notification of the violation of the personal data, the following information relating to their violation:

- The nature of the data breach;
- The estimated number of persons involved;
- The categories of the person(s) involved;
- The categories of Data concerned;
- The estimated number of Data violated;
- The measures taken to remedy the data breach, including, where appropriate, measures to limit adverse effects and potential risks.

The Successful tenderer shall assist the CNIEL as far as possible in reporting the data breach to the relevant control authorization and / or to the person (s) involved in the data breach.

3.3. The Successful tenderer undertakes to keep in writing a register of all processing of personal data carried out on behalf of the CNIEL including:

- The identity and contact details of the CNIEL on whose behalf he acts, any subcontractors and, if applicable, the identity and contact details of the Data Protection Officer of CNIEL and any subcontractors;
- The categories of data processings performed on behalf of the CNIEL;
- Where applicable, data transfers to a third country;
- As far as possible, a general description of the technical and organizational security measures.

The CNIEL accesses on request, to the register concerning the data processings carried out for its own account. Upon receipt of the request by the Successful tenderer, these documents are communicated to the CNIEL within five (5) working days.

ARTICLE 04 – EFFECTIVE DATE

This agreement shall enter into force on the date it is signed.

By signing this agreement, the Successful tenderer acknowledges having read it in its entirety and undertakes to apply all of these provisions without reservation.

The agreement will become void if the applicant does not win the contract

Signed on:

AT :

SIGNATURE OF THE SUCCESSFUL TENDERER

Preceded by "read and approved"