

# **MARKET CONSULTATION**

# **FEASIBILITY STUDY ON THE DIGITALISATION OF OECD SEED SCHEMES LABELLING AND CERTIFICATION PROCESSES**

**The deadline date for the receipt of offers is September 01, 2020 2pm (Paris time)**

## PREAMBLE

The OECD brings together the governments of [countries committed to democracy and the market economy](#) from around the world to:

- Support sustainable economic growth
- Boost employment
- Raise living standards
- Maintain financial stability
- Assist other countries' economic development
- Contribute to growth in world trade

The OECD also shares expertise and exchanges views with more than **100 other countries and economies**, from [Brazil](#), [China](#), and India to the least developed countries in Africa.

### Fast facts

**Established:** 1961  
**Location:** Paris, France  
**Membership:** 37  
**Budget:** EUR 385 million (2018)  
**Secretariat staff:** 3300  
**Secretary-General:** [Angel Gurría](#)  
**Publications:** 250 new titles/year  
**Official languages:** English/French

### Monitoring, analysing and forecasting

For over 50 years, the OECD has provided statistical, economic and social data comparable with the most important and most reliable in the world. In addition to its collection of data, the OECD monitors trends, analysis, and forecasts economic developments. The Organisation studies changes and developments in trade, environment, agriculture, technology, taxation and more.

The Organisation provides a setting where governments can compare their experiences in developing public policies, seek answers to common problems, identify good practices and coordinate both domestic and international policies.

### Enlargement and Key Partners

OECD member countries agreed to open accession discussions with Costa Rica in 2015. The Organisation is also reinforcing its engagement with its Key Partners – South Africa, Brazil, China, India and Indonesia.

### Publishing

The OECD is one of the world's largest publishers in the fields of economics and public policy. OECD publications are a prime vehicle for disseminating the Organisation's intellectual output, both on paper and online.

Publications are available through the Online Information System (OLIS) for government officials, through OECD iLibrary for researchers and students in institutions, corporate, subscribed to our online library and through the Online Bookshop for individuals who wish to browse titles free-of-charge and also to purchase publications.

## Terms of Reference - Feasibility study on the digitalisation of OECD Seed Schemes labelling and certification processes

### 1: Background

1. The Directorate for Trade and Agriculture (TAD) is the part of the OECD Secretariat that undertakes the work on behalf of the Trade, Agriculture and Fisheries Committees. The key objective of OECD work on trade is to support a strong, rules-based multilateral trading system that will maintain the momentum for further trade liberalisation, while contributing to rising standards of living and sustainable development. OECD also analyses food, agriculture and fisheries issues and provides advice to governments on practical and innovative options for policy reform and trade liberalisation, as well as facilitating the negotiation of international rules on official export credits. An important part of the mandate of the OECD is to provide analytical support to agricultural trade liberalisation, as well as estimating the effects of further trade liberalisation. Working closely with Member countries, the Directorate collects information and data, and develops modelling capacity to analyse the policy issues identified by the Committees. The Committee for Trade, the Committee for Agriculture and the Committee for Fisheries are responsible for implementing the trade, agriculture and fisheries biennial programme of work, once it has been approved by the OECD Council.

2. The Directorate is structured around four divisions that work together to deliver the work programme. Two other units are attached to the Directorate: Agricultural Codes and Schemes, and the Co-operative Research Programme. The OECD Agricultural Codes and Schemes facilitate international trade through the harmonisation, simplification and implementation of international certification standards for agricultural inputs and products. The overarching objectives of the Codes & Schemes are to increase transparency, reduce technical barriers to trade, increase market confidence through enforcement of quality control and inspection procedures, and facilitate traceability.

3. The Agricultural Codes and Schemes focus on four key agricultural goods; seeds, trees, tractors and fruit and vegetables.

- The Seed Schemes certify seed varietal identity and purity, encouraging the production, trade and use of seeds that are true to their name and are of consistently high quality.
- The Forest seed and plant scheme certifies the source and genetic composition of forest reproductive material to guarantee consistently high quality.
- The Tractors Codes enable an importing country to accept, with confidence, the results of safety and performance tests carried out in another country.
- The Fruit and Vegetables Scheme promotes the use of uniform classification and quality control procedures for fresh and dried fruit and vegetable products.

4. Guaranteeing the quality or safety of these key agricultural goods is critical for stakeholders along the length of the agricultural supply chain, from producers to consumers. The Codes and Schemes are tackling important challenges and opportunities going forward. These include increasing volumes of counterfeit seed entering markets, changes in climate affecting sources of forest reproductive material, rapid developments in

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agricultural mechanisation, and growth in internet sales of fruits and vegetables that create challenges for quality-control inspections.

5. The Codes and Schemes are open to any OECD or non-OECD country that is a member of the United Nations, or of the World Trade Organisation. 66 countries participate in at least one of the Codes & Schemes. This includes the 36 OECD countries as well as 30 non OECD Economies, incorporating some of the major players in world trade (Brazil, Russia, India, China, South Africa, Argentina, Ukraine). For more information on the OECD's Agricultural Codes and Schemes, please visit the [webpage](#).

## 2) Scope of the work

6. The OECD is launching this market consultation process in order to identify a Contractor who shall be responsible for the development of a feasibility study on the digitalisation of OECD Seed Schemes labelling and certification processes, including options for a potential pilot project. For more information on the Seed Schemes, please visit the [webpage](#).

7. The OECD Seed Schemes Ad Hoc Working Group (AHWG) on Labelling has been exploring current challenges and new opportunities for seed lot identification and traceability. Previous work includes surveys on the use of labels [[TAD/CA/S/WD\(2013\)7/REV2](#)] and challenges related to security and fraud [[TAD/CA/S/RD\(2017\)13](#)]. More recently, the Seed Schemes have arranged for a number of presentations to be made by organisations that are using digital technologies to facilitate trade and information sharing, including CIGPA, The Canadian Seed Growers Association, BASF and Seed Assure. In addition, the Secretariat co-organised a panel at the OECD 2019 Global Blockchain Policy Forum, on how Blockchain can support intergovernmental cooperation in this area.

8. Integrating digital technologies in to labelling and certification processes has the potential to accelerate the exchange and validation of information between National Designated Authorities (NDAs), as well as between NDAs and other supply chain stakeholders (farmers, producers, traders, customs officers). This has the potential to increase the security and integrity of seed certification.

9. A successful digital certification and information exchange system has two important requirements: 1) clearly defined, standardised and unambiguous information and 2) coordination between agencies and countries. The OECD Seed Schemes already have a complete set of recognised and required information on the label and an established network of NDAs that meets regularly, as well as a working group on labelling. As such, the OECD Seed Schemes are in a good position to digitize their certification system. The collaborative and consensus based system that governs the OECD Seed Schemes provides a strong platform for discussion between countries and a robust system for agreeing on and developing new initiatives.

10. This proposed work will examine and compare the potential for a range of digital technologies to verify the identity of seed lots and facilitate traceability within the OECD Seed Schemes. Noting the recent advances made using blockchain technologies to support more effective and resilient data tracking in international supply chains, the assessment in the Feasibility study would include, but not be limited to, this technology.

### 3) Key Tasks and Deliverables

The successful Contractor shall carry out the following tasks:

#### **3.1 Desk-based background research**

**3.1.1 A review of OECD Seed Schemes labelling and certification processes.** This includes a review of the OECD Seed Schemes Rules and Regulations and relevant Guidelines; the data and information contained on the label and certificate, including points of information collection, verification and transfer and security and privacy features of the label and certificate. It would require a review of the full certification cycle, from the notification of seed production by companies to the issuance of the label/certificate. It is suggested to illustrate this section with a number of short case studies – tracking seed through countries and different stakeholders to understand existing processes and logistics, particularly as processes may vary between countries. It will be particularly important to ascertain whether some countries have some form of digitalised system in place at the national level.

In order to collect this information the consultant will:

- Review previous research carried out by the OECD Seed Schemes: This includes surveys, reports and statistics, as well as the discussions related to labelling from the AHWGs, TWGs and Annual Meetings.
- Review academic and grey literature related to the digitalisation of labelling and certification processes, as well as other relevant sectors and initiatives.
- Interviews and consultations with a representative sample of NDAs and partner organisations, in order to have a thorough understanding of the existing processes and functions (actors, timings etc) is important. In particular, the OECD Secretariat, NDAs, Seed companies and authorised inspectors, other stakeholders in the supply chain (customs officials, farmers etc) and key partners (ISF, ISTA etc). In order to facilitate the work of the Contractor, a steering group was established within the Seed Schemes with the participation of **Denmark, France, Israel, Austria, Zambia, Spain, UK, Uruguay, Estonia, Egypt, European Commission and International Seed Federation (ISF)**. The Contractor should regularly consult and interview the members of the Steering Group during the work.

**3.1.2 A review of available technologies and existing examples of digital verification and traceability schemes.** This shall include the comparative benefits of different available technologies, including potential technical and non-technical concerns. The research would refer to a number of different projects already up-and-running that support product identification and traceability including the ISTA electronic certificate, International Plant Protection Convention ePhyto solution, Canadian Seed Growers Association Identity Preserved (IP) Soybean Blockchain Pilot and SICPA's work for the Brazilian Seed sector. It may also be worth looking beyond the seed sector to other industries and initiatives.

#### **3.1.3. Potential outputs**

- Write-up of background research that summarises the main findings
- Records/transcripts/notes from interviews with NDAs and partner organisations
- Bibliography of articles, grey literature and other documents that have been collected and reviewed to inform the development of a case study

### 3.2 Feasibility study

**3.2.1. Feasibility study.** Based on the findings of the desk-based review, the contractor will undertake an evaluation to determine which type of digital technology solution would feasibly and effectively integrate in to the existing structure and processes of the OECD Seed Schemes while improving efficiency and

integrity.<sup>1</sup> It is worth noting at this stage that the study may determine that the existing Rules and Regulations and national implementation systems may need to be adapted in order to accommodate any digital technologies. If so this would need to be clearly communicated and considered as it would have a material impact on whether the proposal receives the support of NDAs. The study will include a discussion on the scope of the system and which stakeholders within the value chain could be included (private sector, other certification bodies such as ISTA, customs officers, and consumers/farmers). The scope of the system will have implications for effectiveness as well as cost. The feasibility study should therefore clarify the difference between a minimum viable product and the proposed final system.

**3.2.2. Cost-benefit analysis.** The evaluation will also include a cost-benefit analysis of the different options proposed, that will consider the financial and technical concerns and opportunities. It will consider factors such as establishment and maintenance costs of any digital system, as well as the available estimates of losses incurred from the trade of counterfeit/fraudulent seed.

**3.2.3. Proposed next steps.** This section of the study will consider a number of different options for integrating digital technologies in to the OECD seed schemes in a pilot project. It will integrate all the previous learnings and factor in technology considerations, costs, potential deployment strategy, organisational and staffing factors, legal and regulatory considerations and the timing/phasing for the potential integration of digital technologies.

#### **3.2.4. Potential outputs**

- Draft feasibility study
- Options for a pilot project

### ***3.3 Presenting, collecting feedback and finalising the feasibility study***

**3.3.1 Presenting findings.** The Consultant will present the outcomes of the research to the TWG meeting of the OECD Seed Schemes. Following the presentation Delegates will be invited to provide written feedback and comments on the study as well as their recommendations for next steps.

**3.3.2 Collecting and incorporating feedback.** The consultant will incorporate this feedback in to the revised draft of the study which will be submitted to the Secretariat and Bureau for review. Based on this review, the consultant will prepare and present the final draft proposal to the Annual Meeting.

#### **3.3.3. Potential outputs**

- Presentation to the OECD Seed Schemes Technical Working Group Meeting
- Final draft of feasibility study and proposed pilot project.

## **4) Estimated timeline**

The successful consultant would be expected to deliver and present the draft feasibility study to the Technical Working Group Meeting of the OECD Seed Schemes to be held on **25-28 January 2021**, and the final feasibility study and options for a pilot at the **2021** Annual Meeting to be held on **7-11 June 2021**.

## 5) Minimum Qualifications of the Contractor

Candidates shall be from a country adhering to the OECD Seed Schemes and shall be able to provide evidence of the relevant qualifications, expertise and experience in the digitalization of certification and traceability systems for the production of agricultural products or other commodities with similar production chain. The Candidate must have sufficient knowledge on the range of available IT systems for digitalisation of a certification and traceability system. The Candidates must have excellent drafting skills in English and a good understanding of the key elements of the OECD Seed Schemes.

## 6) Application documents

Interested candidates should submit the following documents no later than: **01/09/2020, 14.00pm (Paris time)** to the e-mail addresses: [csaba.gaspar@oecd.org](mailto:csaba.gaspar@oecd.org) and [Sophia.gnych@oecd.org](mailto:Sophia.gnych@oecd.org)

- A proposal outlining the scope and method of the work, describing in detail how they will complete the list of tasks detailed in section 3 above
- Detailed timeline
- CV highlighting the evidences of profiles and qualifications of the person(s) involved in the activities.
- Examples of similar experiences and references and contact details of 2 to 3 companies or Organisations for who the applicant have executed tasks similar to those requested in this Market Consultation
- A commercial offer consisting of the total amount for executing the work, daily rates of staff, a breakdown of costs as indicated in the budget template below (Excel format) and
- Documents proving financial stability
- Budget template in Excel format:

FEES	TASK
€_	<b>Desk-based background research</b> <ul style="list-style-type: none"> <li>• A review of OECD Seed Schemes Labelling and certification processes.</li> <li>• A review of available technologies and existing examples of digital labelling/certification and traceability schemes.</li> </ul>
€_	<b>Draft feasibility study and options for proposed pilot</b> <ul style="list-style-type: none"> <li>• Feasibility study</li> <li>• Proposed next steps/ pilot</li> </ul>
€_	<b>Presenting findings, collecting feedback and finalizing the feasibility study/use case</b> <ul style="list-style-type: none"> <li>• Presentation at the TWG meeting</li> <li>• Collecting and incorporating feedback into the feasibility study.</li> <li>• Presentation at the Annual Meeting</li> </ul>

## 7) Evaluation criteria

The Evaluation Panel will evaluate all applications that meet the minimum requirements described above.

The following evaluation criteria will be applied to assess the received proposals:

Technical: **60%**

- 35% : Quality of the proposed approach for undertaking the feasibility study on the digitalisation of the OECD labelling and certification system
- 20% : Expertise and experience in digitalisation of certification and traceability systems
- 5 % : Potential to deliver specific results for international agricultural seed certification system

Financial: **40%**

## **MINIMUM GENERAL CONDITIONS FOR OECD CONTRACTS**

The following articles constitute of the minimum general conditions of the contract to be signed between the OECD and the Contractor to whom the Competitive process would have been awarded (the “Contract”). These minimum general conditions are not exclusive and could, as the case may be, be modified and/or complemented with additional conditions in the Contract.

### **ARTICLE 1 – GOODS OR SERVICES**

The goods and/or services provided under the Contract (hereinafter “The Work”) shall strictly comply with the standards mentioned in the Terms of Reference. It is expressly agreed that the Contractor shall perform the Work in strict accordance with all standards or, where no such standards have yet been formulated, the authoritative standards of the profession will be the applicable norms.

### **ARTICLE 2 - PRICES**

Prices charged by the Contractor for the Work shall not vary from the prices quoted by the Contractor in its Tender, with the exception of any price adjustment authorised in the Contract.

### **ARTICLE 3 - PAYMENTS AND TAXES**

Payment will be made in Euros.

In case the Contractor is located outside of France, the Organisation may be exempted from taxation, including from sales tax and value added tax (V.A.T.). Therefore, the Contractor shall not charge any such tax to the Organisation. All other taxes of any nature whatsoever are the responsibility of the Contractor.

In other cases, the prices shall be indicated exclusive of tax. If the amounts payable to the Contractor for the Work are subject to value added tax (V.A.T.), the Contractor's invoice will show the applicable V.A.T. rate and corresponding amount on the invoices, as well as the total amount before and after such tax.

### **ARTICLE 4 - DELAY IN EXECUTION**

The Contractor shall perform the Work in accordance with the time schedule and the terms specified in the Contract, this being an essential element of the Contract. Any delay will entitle the Organisation to claim the payment of penalties as negotiated between the Contractor and the Organisation.

## **ARTICLE 5 - ACCESS TO THE PREMISES AND SYSTEMS**

If the Work requires at any time the presence of the Contractor and/or of the Contractor's employees, agents or representatives ("Personnel") on the premises of the Organisation and/or access to the OECD's systems, they shall observe all applicable rules of the Organisation, in particular security rules, which the Organisation may enforce by taking any measures that it considers necessary.

## **ARTICLE 6 - IMPLEMENTATION OF THE WORK**

The Contractor undertakes that the Work shall be performed by the individual(s) named in the Contract or otherwise agreed in writing by the Organisation. The Contractor may not replace said individual(s) by others, without the prior written consent of the Organisation.

## **ARTICLE 7 - AUTHORITY**

The Contractor hereby declares having all rights and full authority to enter into the Contract and to be in possession of all licences, permits (including work permits for Contractor's Personnel) and property rights, in particular intellectual property rights, necessary for the performance of the Contract.

## **ARTICLE 8 - LIABILITY**

The Contractor shall indemnify the Organisation and its personnel against any and all claims, losses, damages, costs or liabilities of any nature whatsoever, including those of third parties, arising directly or indirectly out of or in connection with Contractor's performance or breach of the Contract.

The Contractor shall, at its own cost, maintain throughout the duration of the Contract and as necessary thereafter adequate insurances to cover such risks, including any risks related to the execution of the Contract.

## **ARTICLE 9 - REPRESENTATIVES**

Neither the Contractor nor any of its Personnel (including but not limited to its experts, employees, agents or representatives):

- shall in any capacity be considered as members of the staff, employees or representatives of the Organisation;
- shall have any power to commit the Organisation in respect of any obligation or expenditure whatsoever;
- shall have any claim to any advantage, payment, reimbursement, exemption or service not stipulated in the Contract. In particular and without limitation, it is understood that neither the Contractor, nor any of the Contractor's Personnel may in any manner claim the benefit of the privileges and immunities enjoyed by the Organisation or by its personnel.

## **ARTICLE 10 - INTELLECTUAL PROPERTY**

The results and products, both intermediate and final, of the Work carried out in performance of the Contract, including all intellectual property rights arising therefrom, shall belong exclusively to the Organisation. These rights shall vest in the Organisation as and when the Work is created, or if this is not legally possible, be assigned to the Organisation by the Contractor throughout the world, on a perpetual basis.

As exclusive owner of the Work, the OECD enjoys full rights over it, including (but not limited to) the right to license, publish, display, represent, reproduce, adapt, translate, modify, create derivative work, sell, exploit, administer, use and dispose of the Work and to retain any and all benefit, revenue and income accruing therefrom, without the prior written consent of the Contractor being required. In particular, the OECD may freely decide to publish or not the Work (and/or any adaptation thereof).

All right in the Contractor's pre-existing proprietary intellectual property included in the results and products of the Work shall remain with the Contractor. If the Work includes any pre-existing materials owned by the Contractor, the Contractor grants to the OECD a perpetual, irrevocable, non-exclusive, sub-licensable, worldwide and royalty-free licence to use such materials as part of the Work.

The Contractor warrants that the results and products of the Work do not infringe the intellectual property or other rights of any third parties.

The Contractor shall not use the OECD name and/or logo without the prior written consent of the OECD.

## **ARTICLE 11 - TRANSFER OF RIGHTS OR OBLIGATIONS**

The Contractor shall not transfer to any third party any rights or obligations under this Contract, in whole or in part, or sub-contract any part of the Work, except with the prior written consent of the Organisation.

## **ARTICLE 12 - TERMINATION**

Without prejudice to any other remedy for breach of Contract the Organisation may claim, the Organisation reserves the right to terminate the Contract without any prior notice or indemnity:

- i) in the event of failure by the Contractor to comply with any of its obligations under the Contract; and/or
- ii) if the Contractor, in the judgment of the Organisation, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

The Organisation may also, by written notice sent through registered mail with recorded delivery to the Contractor, terminate the Contract, in whole or in part, at any time for its convenience. The notice shall specify that termination is for the Organisation's convenience, the extent to which Work of the Contractor under the Contract has been completed, and the date upon which such termination becomes effective. The Work that is complete on receipt of notice by the Contractor shall be accepted by the Organisation, at the Contract terms and prices. For the remaining, the Organisation may elect:

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- i) To have any portion completed at the Contract terms and prices; and/or;
  - ii) To cancel the remainder and pay to the Contractor the amount corresponding to the completed work.

### **ARTICLE 13 – FINANCIAL INFORMATION**

During the Contract and at least seven years after its termination, the Contractor shall :

- i). keep financial accounting documents concerning the Contract and the Work ;
- ii). make available to the Organisation or any other entity designated by the Organisation, upon request, all relevant financial information, including statements of accounts concerning the Contract and the Work, whether they are executed by the Contractor or by its any of its subcontractors.

The Organisation or any other entity designated by the Organisation may undertake, including on the spot, checks related to the Contract and/or the Work.

### **ARTICLE 14 – ETHICAL PRACTICES**

Having due regard to the nature and purposes of the OECD as an international organisation, the Contractor shall adhere to the highest ethical and business responsibility standards. In particular, the Contractor shall comply with (and shall ensure that its Personnel complies with) all applicable national and international rules relating to ethical and responsible standards of behaviour, including, without limitation, those dealing with human rights, environmental protection, sustainable development, anti-bribery and anti-corruption.

OECD staff may not accept, directly or indirectly, any gratuity, gift, favour, loan or anything of monetary value. In addition, we request our suppliers/providers to never put the Organisation or one of its staff members in an ethically unacceptable situation by offering gifts or hospitality of any kind.

### **ARTICLE 15 - ARBITRATION CLAUSE**

Given the status of the Organisation as an international organisation, the Parties specifically agree that their rights and obligations shall be governed exclusively by the terms and conditions of the Contract.

Any dispute, controversy or claim arising out of or relating to the Contract, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the PCA Arbitration Rules 2012. The number of arbitrators shall be one. The language to be used in the arbitral proceedings shall be English. The place of arbitration shall be Paris (France). The Parties expressly renounce their right to seek the annulment or setting-aside of any award rendered by the arbitral tribunal, or if this renunciation is not legally possible, the Parties expressly agree that if an award rendered by the arbitral tribunal is annulled, the jurisdiction ruling on the annulment proceedings cannot rule on the merits of the case. The dispute will therefore be settled by new arbitral proceedings in accordance with this clause.

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Nothing in the Contract shall be construed as a waiver of the privileges and immunities that the OECD enjoys as an international organisation.

#### **ARTICLE 16 – CONFIDENTIALITY**

Any information, on any medium whatsoever, sent to the Contractor to which the Contractor obtains access on account of the Contract, shall be held confidential. In consequence, the Contractor shall not disclose such information without the written prior consent of the Organisation. The Contractor shall ensure that the Contractor's Personnel is expressly bound by and respect the provisions of the present clause.

#### **ARTICLE 17 - DATABASES**

The Contractor is informed that the OECD compiles an Organisation wide database of suppliers and that information relating to the Contractor will be included in this database. Subject to compliance with the OECD's policies on protection of personal information, the database will contain any relevant information with respect to the Contractor and the Contractor's contracts with the Organisation, including, without limitation, the financial terms, the contract deliverables and evaluations of the Contractor's work. It is the Organisation's policy to allow access to the database to certain management and administrative staff.

Notwithstanding anything expressed or implied by the present Contract or at law, and in particular any obligations of confidentiality undertaken by the Organisation, the Contractor understands and accepts that the OECD will collect, process and disclose the information related to the Contractor in the manner described above and hereby waives all claims against the Organisation and its personnel in this respect.