

## **REQUEST FOR PROPOSAL**

### **SUBMISSION DEADLINE**

**5:00 PM CST, 8/19/2022**

### **RFP TITLE: QUANTIFYING THE VALUE OF PROCESSING U.S. SOYBEAN OIL COMPARED WITH SOUTH AMERICAN ORIGINS**

#### **RFP CONTACT:**

Name: Kim Liliensiek

Phone #: 660-537-3964

Email: kliliensiek@ussec.org

#### **PROPOSAL DEADLINE: AUGUST 19, 2022 5:00PM CST**

#### **INTRODUCTION:**

Many international refiners have noted the decreased cost associated with refining soybean oil produced from U.S. soybeans, vs. soybeans from South American Origin. In particular it has been noted that there are lower costs associated with processing U.S. soybean oil, vs Brazilian soybean oil, due to FFAs, color, NOL (and other attributes) and the lower cost of bleaching. . This study seeks to add to the knowledge base on this subject by showing the economic cost of refining soybean oil from soybeans from the U.S., and South America.

#### **PURPOSE OF RFP:**

USSEC's standard practice is to RFP every 3 years in an openly and competitive manner. This type of cost analysis will assist in determining the fair market value for the work to be performed and allows USSEC the opportunity to evaluate various proposals and select the best contractor for the job based on experience, availability, expertise, approach, and cost

#### **BACKGROUND & PURPOSE OF PROJECT:**

Anecdotally, and through prior USSEC research, it has been noted that oil from U.S. soybeans has a lower cost of refining vs. soybean oil from South American origins. Many refiners have noted the particularly lower cost with bleaching U.S. SBO due to its more "neutral" color, FFA's, lower NOL, and other advantages have been noted as well.

This RFP seeks to quantify this advantage on a per metric ton basis so as to provide international soybean oil buyers with a more holistic view when purchasing soybeans/soybean oil. The study should provide tools to both crushers and stand alone SBO refiners, that have a choice between sourcing U.S. and alternative origin soybeans/SBO.

**TARGET AUDIENCE:** Importers of soybeans/soybean oil

## SCOPE (SERVICES) OF WORK:

- Obtain approximately 300 samples of crude degummed SBO from regional suppliers (split between U.S., Brazilian and Argentine oil). The samples need to be sent to an AOCS certified lab to be analyzed. These samples need to be obtained directly by the contractor, with all samples analyzed for the following attributes:
  - Calcium
  - Chlorophyll
  - Color (Lovibond)
  - Free Fatty Acids
  - Iodine
  - Iron
  - Magnesium
  - NOL
  - Phosphorus
  - Saponification Value
  - Unsaponifiable Matter
- Create a tool that refiners can use to measure their costs in refining SBO from alternative origins similar to <https://ussoy.org/soybean-oil-value-calculator/>
- Create a paper showing the estimated cost of refining soybean oil produced from soybeans sourced from the U.S., Brazil and Argentina. This paper should include the following information:
  - Executive summary
  - Compile a list of the advantages of refining soybean oil produced from U.S. soybeans, vs. oil refined from South American soybeans. These advantages should include any increased value of the product/byproduct, or the decreased cost of processing.
  - Quantify these advantages in terms of price per MT
  - Note that the target audience will be industry members familiar with the process, terminology and other material related to refining/buying soybeans
  - Any additional pertinent information
- Data needs to be sourced from oil samples in destination markets
- 1-2 page summation white paper
- Present study feedback to USSEC staff
- Provide a PPT for use by USSEC personnel

## DELIVERABLES:

Completion Date	Description of Deliverables
-----------------	-----------------------------

Monthly	Submit status reports addressing the progress of the research and invoices for hours worked
10/1/2022	Begin work on project
9/30/2023	Final study should be provided to USSEC

**PROJECT TIMELINE:**

Our expectation is for the project to last from February to May. We are asking that the Project Proposal include details about what the proposed timeline and scope would look like.

**RFP TIMELINE:**

- **RFP Distribution:** August 3rd, 2022
- **Last Day to Submit Questions:** August 17<sup>th</sup>, 2022 by 5:00PM Central Time
- **Project Proposals Due:** August 19<sup>th</sup>, 2022 by 5:00PM Central Time
- **Selections Made By:** September 2<sup>nd</sup>, 2022
- **Prospective Contractors Notified By:** September 6<sup>th</sup>, 2022

**INSTRUCTIONS:**

Proposals must contain at a minimum the specific criteria listed below:

1. Please email the proposal to [RFP@USSEC.ORG](mailto:RFP@USSEC.ORG) by **5:00PM Central Time on August 19th, 2022.**
2. A description of Prospective Contractor’s capabilities, resources and experience. Emphasis should be placed on experience related to this RFP.
3. A thorough proposal outlining Prospective Contractors planned work, deliverables and timeline to complete the work.
3. Resumes for each of the Prospective Contractor’s personnel assigned to work directly on the implementation of the contract.
4. Provide a minimum of two names and contact information for other similarly sized clients for reference purposes.
5. Detailed Budget
  - All bids for services must provide a breakout of how the fee was derived including but not limited to a breakdown of hourly rate and the amount of effort they anticipate to do the work.

6. Proposals should be no longer than **10 pages** (8 ½" x 11").

**NOTES:**

- Prospective Contractors are hereby notified that proposals will be duplicated for internal review only. Every effort will be made to maintain confidentiality of all information presented. The appropriate representatives from staff and legal counsel will review proposals. Proposals will not be returned.
- USSEC reserves the right to retain all proposals submitted. Submission of a proposal indicates acceptance by the submitter of the conditions contained in the request for proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between USSEC and the contractor selected.
- Confidentiality - Without USSEC's prior written consent, Prospective Contractors and its officers, employees, agents, representatives, affiliates, and subcontractors shall not disclose to any third party any documents, materials or information that the Prospective Contractors learns from or is provided in relation to the RFP request.
- During the evaluation process, USSEC reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors and omissions.
- USSEC reserves the right to reject any proposal that is in any way inconsistent or irregular. USSEC also reserves the right to waive proposal defects or deficiencies, to request additional information, and/or to negotiate with the Prospective Contractor regarding the proposal.
- Prospective Contractor agrees that Fees are in lieu of any and all other benefits, including, but not limited to, repayment of any and all taxes related to contractor service fees, health and life insurance, administrative costs and vacation.
- Prospective Contractor agrees that any income taxes, value added taxes or any other form of direct or indirect taxes on compensation paid under the contract shall be paid by Contractor and not by USSEC or Funding Sources.
  - Prior to any payment to a Contractor, a contractor must provide a W-9, W-8, or W-8BEN upon agreement signature
- Non-Competition. Contractor shall not act as agent or representative for any product or service directly or indirectly competitive with U.S. soybeans or soybean products for the length of the contract.
- USSEC and Prospective Contractor agrees to comply with the provisions of Equal Employment Opportunity (EEO). USSEC provides EEO to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity or expression, national origin, age, disability, genetic information, marital status, amnesty, or status as a covered veteran in accordance with applicable federal, state and local laws.

## SUPPLEMENTAL INFORMATION AND BACKGROUND

### *BUILDING A PREFERENCE FOR U.S. SOY*

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

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

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

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

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

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

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

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

- SmithBucklin-St. Louis for domestic marketing, new uses, production research and Board initiative activities;
- Osborn & Barr Communications for communications/public relations activities and;
- U.S. Soybean Export Council (USSEC), Inc. for international marketing and global opportunities activities.

As one of these three primary contractors USSEC may also undertake initiative activities on behalf of USB. USB considers primary contractor staff (approximately 60 people) as core USB staff. These three primary contractors use a number of subcontractors and, together, these entities carry out approximately 450 projects each year for USB. USB also manages approximately 10 subcontractors.

## **Non-Discrimination Statement**

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 {voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

USDA is an equal opportunity provider, employer, and lender.

**Civil Rights Clause**

Contractor agrees that during the performance of this Agreement it will not discriminate against any employee or applicant for employment because of race, color, religion, gender, national origin, age, disability, political beliefs, sexual orientation, marital or family status, parental status or protected genetic information. Contractor further agrees that it will fully comply with any and all applicable Federal, State and local equal employment opportunity statutes, ordinances and regulations, including, without limitation, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967, and the Equal Pay Act of 1963. Nothing in this section shall require Contractor to comply with or become liable under any law, ordinance, regulation or rule that does not otherwise apply to Contractor.