

## **REQUEST FOR PROPOSAL**

### **SUBMISSION DEADLINE**

**5:00 PM CST, 9/20/2023**

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

#### **RFP CONTACT:**

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**PROPOSAL DEADLINE:** September 20<sup>th</sup>, 2023, **5:00PM CST**

#### **INTRODUCTION:**

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

Processing soybeans of U.S. origin brings many advantages to the processor and the users of the various soy products produced. The quality of U.S. soybean oil (SBO) and soybean meal (SBM) is an important differentiator for both crushers and stand-alone SBO refiners, that have a choice between sourcing U.S. and alternative origin soybeans/SBO/SBM.

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.

Use of soy products from U.S. origin bring advantages to the feed mills and animal production systems (aqua, cattle, poultry, swine, companion, and others). Higher digestibility of calories and amino acids, as well as greater consistency of these products, give value in the form of lower feed costs, less environmental impact, and better and more uniform animal performance.

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

USSEC's standard practice is to RFP every 3 years in an open 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:**

Through this RFP USSEC seeks to add to the knowledge base on this subject by the collection of data and the development of dashboards and value calculators, including, but not limited to:

- Showing the economic cost of refining soybean oil from soybeans from the U.S. and South America.
- Showing trends in key processing factors
- Showing the trends and economic value of key nutritional factors

This RFP seeks to quantify this advantage on a per metric ton basis so as to provide international soybean oil (SBO) and soybean meal (SBM) buyers with a more holistic view when purchasing soybeans/soybean oil/ soybean meal. 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/SBM.

To enable this broad scope, the RFP is broken into multiple distinct sections:

Section 1-Sample Collection

Section 2- Value-in-Use to Feed Manufacturers and Animal Producers

Section 3- Data Tools and Analytics

When responding to the RFP the Contractor may propose on only one section or multiple sections. It is expected that the Contractor(s) selected will work in concert to ensure the full requirements of the RFP are delivered to USSEC.

USSEC will work closely with the selected contractor(s) to ensure the collective set of deliverables across the sections are aligned to ensure the full set of deliverables are met. This is envisioned as a remote assignment (i.e., no travel required); however, the contractor will be expected to communicate with companies and USSEC team members based in multiple time zones.

**TARGET AUDIENCE:** USSEC support teams and importers of soybeans/soybean oil/soybean meal

### **SCOPE (SERVICES) OF WORK:**

Section 1-Sample Collection:

- Work with USSEC staff to obtain samples approximately 84 samples of each of Brazilian and U.S. Soybeans, Soybean Meal (SBM), and Crude De Gummed Soybean Oil (CDGSBO) spread out over 12 months. Details of the requested analysis can be found below, the

selected applicant will be responsible for selecting subcontractor for collection and testing, as well as any needed paperwork for shipping products.

- Obtain approximately 75 samples of Argentine crude de gummed SBO from regional suppliers.
- In order to support work by selected contractors in section 2 and 3, sample collection needs to begin October 2023 with 50% of the samples available by April
- Soybean Oil Sampling (conducted on all SBO samples)
  - The samples need to be sent to an AOCS certified lab to be analyzed.
  - Calcium
  - Chlorophyll
  - Color (Lovibond)
  - Free Fatty Acids
  - Iodine
  - Iron
  - Magnesium
  - NOL
  - Phosphorus
  - Saponification Value
  - Unsaponifiable Matter
  - Tocopherols
- Soybean Sampling
  - All analysis must be in line with FGIS sampling methodologies
  - Damage rate
  - Heat damage
  - Foreign Material
  - Splits
  - Protein
  - Oil
  - Amino Acids
- Soybean Processing Factors
  - KOH
  - (Reactive Lysine)/ (Total Lysine) (%)
  - TIA
  - The standard deviation of each factor will be computed and tracked.
- Soybean Meal Sampling (sent to Evonik for NIR analysis)
  - 5 EAA Poultry AID % and total
  - 5 EAA Swine AID % and total
  - AMEn Poultry
  - NE Swine
  - Sucrose % (sent to wet chemistry lab and/or NIR lab)

- The standard deviation of each factor will be computed and tracked.

## Section 2- Value-in-Use to Feed Manufacturers and Animal Producers

- Contractor selected for section 2 will need to work with the contractors selected for sections 1 and 3.
- Quarterly evaluation of SBM in broiler, layer, swine, beef, dairy, tilapia, sea bass, and shrimp diets (3 growth phases each: starter, peak performance, post-peak performance) for 3 origins (US, BR, AR) =  $8 \times 3 \times 3 = 72$  diets with representative prices in China, EU, Thailand, Philippines, Vietnam, Mexico, Egypt, Brazil, Columbia, India, Australia/New Zealand, and USA.
- Same as above, but with the addition of a safety margin (mean minus one-half a standard deviation) used in the feed formulations that incorporates the standard deviation of nutritional factors.

## Section 3- Data Tools and Analytics:

- Contractor selected for section 3 will need to work with the contractors selected for sections 1 and 2.
- For harmony with other U.S. soy work, preference to using Power BI published to the Web as the preferred tool platform
- Create a data tool that visualizes Evonik's soybean meal subscription data from the comparative Nutritional Quality Database for Soybean Meal
- 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/>. Selected contractor will need to create the formulas and material for the development of this tool independent of USSEC staff input.
- Create a tool that crushers can use to measure their costs in crushing soybeans from alternative origins similar to <https://ussoy.org/soybean-value-calculator>. Selected contractor will need to create the formulas and material for the development of this tool independent of USSEC staff input.
- Create a tool to select geographic region (or global) and species (any combination or all) and to track and summarize nutrient value to animal and aqua producers (with or without a safety margin).
- Data tools will need to be built by December 2023 and with populating databases with data collected in October 2023 – March 2024 by April 2024
- Creation of handouts and materials related to the data, and the tools.
- 1-2 page summation white paper for data collected in section 1.
- Biannual updated PowerPoints for use with external audiences that include updated information from the data collected in Section 1.
- Present study feedback to USSEC staff
- Presentation of materials or tools during at least 6 USSEC programs.

**DELIVERABLES:**

Completion Date	Description of Deliverables		
Monthly	Submit status reports addressing the progress of the project scope and invoices for hours worked		
10/1/2023	Begin work on project		
	<b>SECTION-1</b>	<b>SECTION-2</b>	<b>SECTION-3</b>
12/31/2023	Confirm Sampling locations and methods	Construct representative diets for feed formulation (software or spreadsheet) by species and location. Survey actual diets from at least 4 species (with stage of production identified) in at least 6 major markets. Tabulated data sent to SECTION-3	"Straw-Man" draft of user-interfaces for one example from each category (oil, nutrition, feed economics)
1/31/2024	Samples collected to date and sent for analysis. Results communicated to SECTION-2	Survey actual diets from the remaining 4 species, (with stage of production identified) in the remaining 6 major markets. Tabulated data sent to SECTION-3	Prototype interfaces from the above 3 drafts produced, reviewed by USSEC staff, and approved by USSEC staff.
3/31/2024	Samples collected in Q1 2024 are sent for analysis. Results communicated to SECTION-2	Utilizing data from SECTION-1, Q1, evaluate SBM from 3 origins in all diets and tabulate date, species, stage of production, region, SBM origin, and feed cost for each of the 3 SBM origins. Tabulated data sent to SECTION-3	Functional web-based graphical interfaces start using actual data. Interfaces reviewed by USSEC staff and next steps approved (revise and/or proceed with other interfaces)
6/30/2024	Samples collected in Q2 2024 are sent for analysis. Results communicated to SECTION-2	Utilizing data from SECTION-1, Q2, evaluate SBM from 3 origins in all diets and tabulate date, species, stage of production, region, SBM origin, and feed cost for each of the 3 SBM origins. Tabulated data sent to SECTION-3	Functional web-based graphical interfaces are completed showing data from every bean quality measure, meal quality measure, and feed formulation results. Interfaces reviewed by USSEC staff and next steps approved (revise and/or proceed with other interfaces)

9/30/2024	Samples collected in Q3 2024 are sent for analysis. Results communicated to SECTION-2	Utilizing data from SECTION-1, Q3, evaluate SBM from 3 origins in all diets and tabulate date, species, stage of production, region, SBM origin, and feed cost for each of the 3 SBM origins. Tabulated data sent to SECTION-3	All interfaces completed
9/30/2024	Final study should be provided to USSEC		

**PROJECT TIMELINE:**

Expectation is for the project to last from October to September. We are asking that the Project Proposal include details about what the proposed timeline and scope would look like.

**RFP TIMELINE:**

- **RFP Distribution:** August 29th, 2023
- **Last Day to Submit Questions:** September 17<sup>th</sup>, 2023, by 5:00PM Central Time
- **Project Proposals Due:** September 20<sup>th</sup>, 2023, by 5:00PM Central Time
- **Selections Made By:** September 27th, 2023
- **Prospective Contractors Notified By:** September 30<sup>th</sup>, 2023

**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 September 20<sup>th</sup>, 2023
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 doing 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.