

HIGH-VALUE
NUTRITION

Ko Ngā Kai
Whai Painga

Registration of Interest

December 2015

For Meeting to discuss Open Tenders for two projects:

1. Measurement of NZ food and beverage export revenues aligned to the High-Value Nutrition Mission
2. Survey of the in-market "NZ Inc." reputation re the marketing of food and beverages with health and wellbeing benefits

Host Institution



Contents

1. KEY INFORMATION	3
2. THE HIGH-VALUE NUTRITION CHALLENGE	4
3. DESCRIPTION OF TENDER EXPECTATIONS.....	5
4. PROJECT SIZE AND COST	6
5. ASSESSMENT CRITERIA AND PROCESS.....	6
6. REGISTRATION OF INTEREST	6
7. OTHER ISSUES	7
APPENDIX 1 - HIGH-VALUE NUTRITION KEY PERFORMANCE INDICATORS RELEVANT TO ITS PRIMARY OBJECTIVE	9

NOTE - This Registration of Interest is issued by the University of Auckland, as High-Value Nutrition Challenge Contractor, on behalf of the High-Value Nutrition Board. It may be amended at any time.

1. KEY INFORMATION

- > Registrations of Interest (RoI) are requested from any organisation with capabilities and experience in relation to either of the two projects.
- > Registered parties will be invited to a meeting on 24 February 2016 to help finalise a Call for Proposals under an Open Tender process.
- > Registered parties may submit a proposal in response to the call for either or both projects
- > HVN management will identify a lead applicant for each project and enter into negotiation with the applicants to finalise the details before recommending it to the High-Value Nutrition Board for approval. (if unable to reach agreement with the lead applicant then the negotiation will be terminated and negotiation initiated with the next ranked applicant)
- > Once approved, the successful applicants will be offered a subcontract from the University of Auckland on behalf of High-Value Nutrition (HVN) for the agreed work.
- > Key dates
 - Draft Tender documents released in December and call for Registrations of Interest by 10 February
 - Registrants invited to a workshop on the Draft Documents in Auckland from 10am to noon on 24 February (Liggins Seminar Room, University of Auckland Building 505.003, Ground Floor, 85 Park Road, Grafton, Auckland)
 - Call for proposals under an open tender released in late February
 - Full proposals due noon on 4 April
 - Proposals assessed and lead applicants identified for each project and invited into negotiation to finalise details prior to recommending investment to the High-Value Nutrition Board at meeting on 3 May
 - Subcontract completed with approved applicants for commencement in July.

The processes outlined in subsequent sections are based on delivering to this timeline but HVN reserves the right to alter the timeline at any point.

2. THE HIGH-VALUE NUTRITION CHALLENGE

The High-Value Nutrition National Science Challenge (HVN or the Challenge) is a government research investment that aims to support the New Zealand food and beverage export sector develop a globally competitive, if not leading, position in the production, manufacture and marketing of food and beverages with scientifically validated health benefits for consumers in major export markets.

The Business and Science Plans for HVN were approved by the government's Science Board in March 2015 and the Challenge Contractor (The University of Auckland) has entered into a Challenge Programme Agreement with the Ministry of Business, Innovation and Employment for the period to mid-2019.

A copy of these Business and Science Plans are available on the [HVN website](#) and provide context for this tender. The tender is particularly focussed on supporting the measurement and reporting of two critical KPIs as outlined below. Further detail on the HVN KPIs is also included in Appendix 1.

- > **The long term aspirational target for HVN is to support development of additional export revenue to New Zealand of >\$1B p.a. in New Zealand origin foods and beverages with scientifically validated health benefits based at least in part on HVN funded or aligned research and related activities by 2025.**

HVN will be investing in research via several different funding mechanisms to support achievement of this target, including:

- **Priority Research Programmes** – as described in the Business and Science Plans and contracted from October 2015
- **Contestable Projects** – open to all New Zealand based research organisations under an RfP issued in June 2015 with seven successful projects being contracted from early 2016 (as detailed on the HVN website)

In addition, HVN is identifying both aligned research across the New Zealand research sector and related activities in food and beverage exporting businesses that can contribute to the mission. HVN is thus aiming to support a New Zealand wide endeavour (NZ Inc.) to add value to food and beverage exports through scientifically validated health benefits for consumers. In doing so, HVN is not only aiming to stimulate greater revenues from New Zealand food and beverage exports but also to establish New Zealand as a leading country for evidence-based validation of food health relationships.

- > **In this regard HVN has a secondary long term target to demonstrate that New Zealand's international reputation as a food producer of high quality foods with scientifically validated health benefits is enhanced.**

This Tender aims to identify suitable applicants who can undertake the development of measurement methodology and then the measurement of these two long term KPI targets for HVN.

3. DESCRIPTION OF TENDER EXPECTATIONS

3.1. MEASUREMENT OF NZ FOOD AND BEVERAGE EXPORT REVENUES ALIGNED TO THE HIGH-VALUE NUTRITION MISSION

As indicated earlier, the ultimate Key Performance Indicator for HVN is the additional food and beverage export revenues to New Zealand based on validated food-health relationships deriving in some way from HVN facilitated or sponsored or aligned activities. The target is to support the creation of a horizontal sector of high-value food and beverage exports generating revenue to New Zealand of \$1B p.a. above 2015 levels by 2025.

The evidential standard for products marketed on health benefits for consumers is the Food Standards Australia and New Zealand (FSANZ) Standard 1.2.7 Nutrition, Health and Related Claims. This allows for consumer product claims to be approved by FSANZ. The HVN KPI and target is not limited to food and beverage products with an approved health claim however, and can include products marketed on a health basis where the same evidential standard is achieved.

There is no current collection or analysis of this measure although there are components that can be derived from existing Statistics New Zealand export categories. Food and beverage products that are exported with a FSANZ approved claim under 1.2.7 will be able to be identified but may not include all possible export products relevant to HVN. This data is also not linked to the research and development inputs that may have contributed to the export revenues. Research and development activity is also likely to be an enabler of export revenues relevant to the KPI target. Attribution will be difficult to assign with any precision. The approach HVN is seeking to take is to identify all possible export returns that have been enabled in some way by HVN funded, aligned or related activities.

It is likely that a variety of data gathering, collation and cross referencing will be required to develop a holistic estimation of the export revenue that can thus be attributed in some way to HVN activity.

The methodological approach should outline how the data will be gathered, analysed and presented based on a 2015 calendar year baseline with subsequent years measuring incremental gains. The initial proposal should provide for measurement in calendar years 2015, 2016, 2017 and 2018 (the approach will be reviewed at that time and a new tender developed for the period 2019 to 2024). Reporting of data to HVN should be by May in the following year.

The reporting of data should be sufficient to identify the sector, product and market categories, the exporting businesses, the link to HVN activities and the export revenue returns to New Zealand. The applicant may suggest other relevant data that could be usefully reported.

Where possible, the holistic estimate should include exemplar case studies to provide information on the various pathways in which the KPIs measure is occurring.

3.2. SURVEY OF THE IN MARKET "NZ INC" REPUTATION RE THE MARKETING OF FOOD AND BEVERAGES WITH HEALTH AND WELLBEING BENEFITS

The legacy HVN is seeking to create is a transformation of the New Zealand food and beverage sector to position it as a leading international player in the marketing of food products with scientifically validated health benefits for consumers. The KPI that relates to this is:

New Zealand's international reputation as a food producer of high quality foods with scientifically validated health benefits is enhanced

Target: Three yearly survey in 2016/2019/2022 and 2025 of targeted (selected influential commentators) representing international consumers, regulators, importers and other relevant stakeholders showing ongoing increases in "positive" reputation

HVN is seeking expressions of interest from suitably qualified and experienced practitioners to develop the methodology and then deliver the 2016 baseline survey. The final report on the 2016 baseline survey should be delivered no later than May 2017. Decisions on delivery of the 2019, 2022 and 2025 surveys will be taken after review of the initial baseline survey and may be by direct negotiation with the initial provider selected under this tender.

There are different approaches that can be taken ranging from quantitative telephone based surveys to qualitative interview based surveys. While open to both, a qualitative approach targeting key influencers in key markets is preferred.

As well as being used to monitor and report against the KPIs the survey should be designed to provide useful information on current aspects of the NZ Inc. reputation and in market activity relevant to food health claims and benefits that will aid in the design of future HVN investments and influence food and beverage business strategies

4. PROJECT SIZE AND COST

There is a limited budget available for these two projects. It is anticipated that each project budget could be of the order of \$100,000 to \$200,000. Proposals should indicate likely costs broken down by components that could allow for funding of different aspects of each tender if necessary (e.g. different scale and or scope dimensions).

5. ASSESSMENT CRITERIA AND PROCESS

Proposals for each Tender will be assessed by HVN Management against the following criteria:

- Evidence of past experience in undertaking similar projects
- Demonstration of relevant capability (quality, depth and scope) to undertake the work including CVs of the key individuals who would be involved and their roles
- Outline of proposed methodological approach
- Description of distinct work packages or stand-alone components of the proposed approach
- Estimated costings and high-level budget for each stand-alone component and the overall project

HVN reserves the right to accept any proposal that it determines offers the best value for money in its sole opinion against these criteria. The process for negotiating lead proposals is as follows:

- The lead applicants for each project will be invited to an interview with HVN Management to discuss their proposal and confirm any expectations for the final contract.
- The lead applicant will have the opportunity to submit a revised proposal to meet these expectations or decline the offer at that time (in which case HVN may enter into negotiations with the next best applicant at its sole discretion)
- The revised proposal (once agreed with HVN Management) will be recommended to the HVN Board for approval
- The approved proposal will be subcontracted on behalf of HVN by its host institution, The University of Auckland, based on a customised subcontract template approved by the HVN Board.

6. REGISTRATION OF INTEREST

If you wish to participate in this tender process you must register your interest by noon on 10 February by sending the following information to hvn@auckland.ac.nz

Name of interested organisation:

Lead contact person:

Contact details (email and phone):

In registering you are agreeing to participate in an open meeting to discuss and finalise the tender documents in Auckland on 24 February.

7. OTHER ISSUES

7.1. PROPOSALS MUST BE SUBMITTED BY AN ORGANISATION WITH A PRESENCE IN NEW ZEALAND

Any proposals responding to this Tender must be submitted by a legal entity with an office or contact personnel in New Zealand to facilitate interactions with HVN.

7.2. RELIANCE ON INFORMATION

HVN will rely on the veracity of all information provided in a proposal under this Tender. Any evidence that information cannot be relied on may result in the proposal being disqualified from the process or any subsequent contract being terminated.

7.3. NAMING INDIVIDUALS OR ENTITIES

Any individuals or legal entities named within any proposal must have agreed to the use of their names and the context in which it is presented as well as approving any quotes or other attributions to them. Failure to obtain such agreement may lead to disqualification from the process.

7.4. INTELLECTUAL PROPERTY

The HVN Intellectual Property Principles and Management Plan are available on the HVN website. Any Intellectual Property created under any subcontract arising from this tender shall be made available to HVN unencumbered and may be used, published, or presented in any form it sees fit.

7.5. CONFIDENTIALITY

The University of Auckland (as Challenge Contractor for HVN) will treat all proposals under this Tender as confidential subject to any legal requirements under the Official Information Act 1982 or any other relevant law. Proposals will be viewed by the HVN Management team and, potentially, the HVN Board. Proposals will be stored electronically in a folder accessible only to HVN team (and UoA IT staff).

Notwithstanding the above, the University of Auckland through the HVN Challenge will make the following information publically available:

- The names of any successful applicants
- The title of any funded proposals and subsequent subcontracts
- The amount awarded to any successful proposals and the funding period
- A public summary provided by the applicant
- Other information agreed with the applicant / subcontractor from time to time

7.6. CONFLICTS OF INTEREST

HVN's Conflicts of Interest Policy is available on request and will be posted on the HVN web site prior to the submission of proposals in response to this RfP. Applicants should note any potential conflicts they have with any person involved in the assessment and approval of the proposal.

7.7. EXCLUSION OF LIABILITY

By participating in this Tender process, each applicant waives any rights it may have to make any claim against the University of Auckland or the HVN Board or Management in regard to any matter related to or arising from the Tender. Further, if any matter cannot be excluded by law then the maximum liability of the University of Auckland and the HVN Board is limited to \$1.

7.8. OBLIGATIONS OF APPLICANTS

Applicants agree to enter into the Tender process in good faith and to fulfil the expectations it creates for them. This includes maintaining confidential correspondence from HVN in confidence, and acting reasonably in agreeing any subsequent subcontract if awarded funding. This includes accepting the obligations for constructing all elements of the subcontract required to the satisfaction of the HVN Management and to providing all information required for reporting progress to the HVN Board and MBIE during the term of any subcontract.

7.9. COMPLAINTS

Any applicant research organisation may complain to the University of Auckland about any aspect of the process under this Tender. The University of Auckland will pass any complaints on to the HVN Board to investigate and respond to. Applicants will accept the findings of any review by the HVN Board in good faith and take no further action in relation to it. In considering any complaint the HVN Board will assess whether the processes outlined in this Tender were followed in good faith and that the outcome in relation to the complaint is a reasonable consequence of following the process.

Individuals have no standing under this Tender and any complaints from an individual will be referred back to their employing organisations.

7.10. CONTACT

If you wish to clarify any aspect of this Tender or arrange a discussion on a potential proposal please send an email with your request to (hvn@auckland.ac.nz).

7.11. DISCLAIMER

Disclaimer: The University of Auckland on behalf of the HVN Board reserves the right to withdraw or amend this document and/or the timelines set within it at any time.

APPENDIX 1 - HIGH-VALUE NUTRITION KEY PERFORMANCE INDICATORS RELEVANT TO ITS PRIMARY OBJECTIVE

Note: This tender relates to the measurement of two KPIs only – 1.1.8 and 1.1.9

The other KPIs are included for context.

- 1.1.1** Measure: Proportion of priority research investments (programmes and projects) made with good evidence of target consumer's need and demand in export markets coupled with clear NZ F&B businesses endorsement. (With a submeasure relating to engagement with Māori-owned businesses)

Indicative Targets: Nil

Targets: 50% (score) at initiation (assessed both individually and collectively)
100% at the 24 month review

- 1.1.2** Measure: % HVN funded research project and programme research objective end points (results) met on time to specification

Indicative Targets: Nil

Targets: 60% as budgeted
80% as reforecast

Note: These will be reported in the annual report following the year they fall due. The measure relates to both Priority Research Programmes and Contestable Projects funded by HVN but does not relate to aligned and related activities

- 1.1.3** Measure: Number of "biomarkers" responsive to nutrition that address consumer health targets identified that underpin applications submitted to FSANZ under standard 1.2.7 or self-substantiated general level claims notified with supporting scientific evidence of the food health relationship

Indicative Targets: >2 in total from aligned and related research by 2016
>4 in total from aligned and related research by 2018
>4 in total from aligned and related research by 2020
>6 in total from aligned and related research by 2023

Target: >3 in total from funded research with >1 in each priority health target area by 2018
>6 in total from funded research with >3 in each priority health target area by 2020
>15 in total from funded research with >5 in each priority health target area by 2023

Note: "Biomarkers" in this context means any nutrition-responsive measure that describes a food health relationship. It may describe new or existing "biomarkers" where new scientific evidence is provided for their role in the relationship between food and health. The Priority Health Target Areas are Metabolic Health, Immune Health, Gut Health and Weaning Foods for

Health. The count will be based on those “biomarkers’ established in the reporting year (and not include those from past years)

1.1.4 Measure: Number of F&B businesses using “HVN capabilities” to develop and or support products as part of the process of validation of health benefits for target consumers. (With a submeasure relating to engagement with Maori-owned businesses)

Indicative Targets: >5 in total from aligned and related research by 2016
>5 in total from aligned and related research by 2018
>5 in total from aligned and related research by 2020
>5 in total from aligned and related research by 2023

Targets: >10 in total from HVN funded research with >2 per priority research programme by 2018
>16 in total from HVN funded research with >4 per priority research programme by 2020
>20 in total from aligned and related research by 2023

Note: 1. “HVN Capabilities” in this context means any research skills, expertise and know how, any research results or understandings and any novel intellectual property developed within HVN funded research programmes or projects and in defined aligned research. This is effectively an industry engagement measure and will be assessed by the HVN Head Office team based on evidence of tangible collaboration between the research teams involved and businesses working on well-defined commercial product concepts or prospects where the product concept is dependent on these HVN derived capabilities or results or IP. This will be primarily evidenced by contract research activity. For definitional purposes the businesses using HVN capabilities developed from funded research will be determined separately from those using capabilities developed from aligned and related research. This could result in some overlap between the two groups. The measure will related to those businesses actively engaging within the reporting year. 2. “Target consumers” means the intended demographic for marketing the product to. 3 “F&B Businesses” means any business involved that is using HVN capabilities to support achievement of the HVN Mission and export revenue target 1.1.8

1.1.5 Measure: Number of discrete F&B products in development with significant export potential supported by “evidence dossiers” involving HVN research demonstrating health benefits for target consumers. (With a submeasure relating to products involving Maori-owned businesses)

Indicative Targets: >3 in total from aligned or related research by 2016 with 5 year sales projections >\$50M
>3 in total from aligned or related research by 2018 with 5 year sales projections >\$50M
>5 in total from aligned or related research by 2020 with 5 year sales projections >\$50M
>5 in total from aligned or related research by 2022 with 5 year sales projections of >\$50M each
>5 in total from aligned or related research by 2024 with 5 year sales projections of >\$50M each

Targets: >3 in total from funded research (with >1 per priority Health Target Area) by 2018 with 5 year sales projections of >\$50M each
>9 in total (with >3 per priority Health Target Area and >2 per priority research programme by 2020) by 2020 with 5 year sales projections of >\$50M each
>10 in total by 2022 with 5 year sales projections of >\$50M each

>10 in total by 2024 with 5 year sales projections of >\$50M each

Note: Products reported will be those initiated in the reporting year (and will not include those reported in previous years). Products may be new or may be existing products with new marketing claims based on validated health benefits. The 5 year sales projections will be aggregate sales from proposed date of launch. "HVN evidence dossiers" includes systematic reviews to support a specific food health relationship, as per the requirements of Standard 1.2.7 (Schedule 6) or related science based material used as marketing collateral by Food and Beverage exporters

1.1.6 Measure: Value of R&D investment by F&B businesses in "HVN capabilities" to support development and marketing of F&B products with health benefits. (With a submeasure relating to investment by Maori-owned businesses)

Indicative Targets:

- >\$1M from aligned or related research in CY2016
- > \$2M from aligned or related research in CY2018.
- > \$2M from aligned or related research in CY2020
- > \$2M from aligned or related research in CY2023

Target:

- >\$1M in aggregate from funded research by year end CY2018
- >\$2M from funded research in CY2020
- >\$5M from funded research in CY2023

Note: This is effectively a measure of commercial co-funding to HVN research teams and is another tangible measure or lead indicator of industry engagement directly linked to the mission. The measure is the level of investment in the calendar year (not including from previous years unless otherwise specified). F&B Businesses defined as in 1.1.5

1.1.7 Measure: Number of "evidence dossiers" (derived from HVN research or teams) submitted to FSANZ (or notified by businesses under the FSANZ model) in support of approved food health claims

Indicative Targets:

- > 2 from aligned or related research by 2016
- > 3 from aligned or related research by 2018.
- > 3 from aligned or related research by 2020
- > 4 from aligned or related research by 2022
- > 6 from aligned or related research by 2024

Target:

- > 2 in total from funded research by 2018.
- > 3 in total (including >1 per priority health research programme) from funded research by 2020
- > 6 in total (with >2 per priority Health Target Area) from funded research by 2022
- > 10 in total from funded research by 2024

Note: "Evidence Dossiers" defined as in 1.1.5 above. The number relate to "evidence dossiers" or equivalent submitted in the reporting year and don't include those from previous years.

1.1.8 Measure: Value of export revenues from discrete food and beverage products supported by evidence based on "HVN research" demonstrating health benefits for target consumers. (With a submeasure relating to revenues from Māori-owned businesses)

Indicative Targets: > \$10M additional F&B export revenues from aligned and related research in CY2016
> \$150M additional F&B export revenues from aligned and related research in CY2019
> \$300M additional F&B export revenues from aligned and related research in CY2022
> \$500M additional F&B export revenues from aligned and related research in CY2024
> \$650M additional F&B export revenues from aligned and related research in CY2025

Targets: > \$10M additional F&B export revenues from funded research in CY2019
> \$150M additional F&B export revenues from funded research in CY2022
> \$250M additional F&B export revenues from funded research in CY2024
> \$350M additional F&B export revenues from funded research in CY2025
> \$1B pa additional F&B export revenues from funded, aligned and related research by CY2025

Note: "HVN research" means research and related activities from HVN funded, aligned and related activities. There will be a significant challenge in collecting the data and attribution to HVN research which will be established via projects commissioned by HVN for this purpose.

1.1.9 Measure: New Zealand's international reputation as a food producer of high quality and scientifically validated food health benefits is enhanced

Indicative Targets: Nil

Target: three yearly surveys in 2016/2019/2022 and 2025 (of target international consumers, regulators, importers and other relevant stakeholders) showing positive ongoing increases in "positive" reputation

Note: This speaks to the transformation HVN seeks to bring about to establish New Zealand as a leading nation in the production and marketing of foods with validated health benefits. It will thus define the lasting legacy of HVN beyond the export revenues alone. HVN will establish the methodology for and subsequently sponsor the 3 yearly surveys via another project investment.

NOTE: All the following performance areas are to be seen within the context of achieving this Challenge Objective and not as ends in their own right