**INVITATION TO TENDER FOR RESEARCH INTO UK MARKET SHARE TRENDS OF SPANISH (AND PORTUGUESE) IMPORTS AND FUTURE GROWTH OPPORTUNITIES**

**Deadline for bids: 12:00 on Friday 23rd January**

**Finish date: 31 March 2015**

**Contract value: €15.000 - €20.000**

**Issuer: British Embassy, Madrid (UK Trade & Investment)**

The successful supplier will report to the UK Trade and Investment (UKTI) Director Iberia, based in Madrid.

For further details about our work in Spain and Portugal and about UK Trade & Investment please see our websites: <https://www.gov.uk/government/world/organisations/uk-trade-investment-spain>

& <http://www.ukti.gov.uk/home.html?guid=none>

**Background**

UK Trade and Investment (UKTI) is the UK Government Organisation that supports UK based companies with their international development and encourages foreign investment into the UK. It operates teams overseas and in Spain has teams based in Madrid, Barcelona and Bilbao and in Portugal through its team based in Lisbon.

The UK Government has set ambitious targets in support of UK export growth, with a plan to achieve £1Trillion in UK exports by 2020 (current UK exports are just over £500bn). UKTI will lead this effort and each UKTI team in overseas markets has drawn up initial plans to create a step change in UK export performance in their market.

In Spain and Portugal we face a challenge to reverse a sustained period of decline in UK exports, driven by the economic crisis. For example, in Spain our export volume has fallen from £17.1bn of UK exports in 2007 to £13.5bn in 2013. Market share has also fallen from 7.8% in 2007 to 5.4%. Our ambition is to reverse this trend and achieved growth in UK export volume and market share over the next 5 years.

To enable us to achieve this we want to identify areas (defined by sector, product or service) where significant growth potential exists, either by recovering lost market share or by pursuing areas of new growth where UK supply capability can make an impact. In order to do this we need to better understand the dynamics of UK exports and Spanish/Portuguese import demand trends since 2007 to the present day. We also want to understand Spanish/Portuguese export performance and which products and services have grown most significantly and to which countries. This will enable us to look at the potential to improve UK performance in the Spanish/Portuguese supply chains.

**Description of the work**

1. To define **Spanish import demand** **from 2007** **to the present day**, broken down annually and by sector and product/service areas (see point 1 below) to show demand trends. To determine the relative position of **UK export performance** in those sectors during that time period, with a particular focus on those sectors and product/services areas where the UK has lost market share . To show **which other countries have gained or lost market share** in each sector. To determine which sectors have enjoyed most growth (or least contraction).
2. To identify **new** **sectors,** **products and services that have seen import growth** in Spain since 2007 with corresponding UK export performance (we are particularly interested in areas where UK export performance has been low).
3. An analysis of Spanish **export** performance over the period to identify areas (sector, product/service) of greatest scale, growth trends and main destination countries.

Bidders should bear in mind the following requirements:

1. **The proposal should be in English.**
2. **Definition of sectors** – we will agree with the successful bidder the definition of sectors. It should be noted that these will not necessarily align easily with definitions in Spanish or UK import statistics – thy bidder will therefore require the capability to interpret data into appropriate industrial supply side sectors.
3. **The work should include a set of recommendations** and prioritisation of sectors and sub-sectors which offer strongest potential and why. This should include identification of specific product areas wherever possible. The ability to provide supporting information, such as for example, why a segment of UK market share lost to low-cost suppliers could be recovered, or where a sector has enjoyed comparative growth, would be a valuable addition. **The work should also include a forecast of future trends** and potential areas of opportunity with a supporting rationale.
4. Findings or recommendations **should wherever possible be supported by empirical data**. However, this should not be a purely statistical exercise **but should also include secondary research** to support conclusions, for example based on evidence from opinion formers such as industry/sector leaders, trade associations, think tanks, economic analysts etc
5. **The bid should indicate a proposal for Spain only and a second proposal to cover both Spain and Portugal.** We will accept a proposal that only covers the work for Spain, though bids will be partly evaluated in favour of those bids that cover both markets.

**Main requirements of the bidder**

1. **Experience in economic analysis** and knowledge of international trade factors. Previous track record of providing industry based research.
2. **Access to a wide knowledge bank**, using both internal and external assets. An ability to interpret as well as record data will be an important element of our assessment, as well as being able to provide in-depth opinion and analysis on a sector by sector basis.
3. Bidders should express and **illustrate the level of sub-sector depth** that they can attain and a capability to provide information about key buyers including company names would be an advantage, as would supporting explanations as to why UK share has fallen (and competitor share has risen), why certain sectors are experiencing growth or decline, would be an advantage.
4. Bidders should indicate how they propose to present the report with an **illustration of format and style**, in their bid. The final report should be in English.

**Review Meetings**

We will require a preliminary meeting upon award of the contract to explain further the scope of the work with subsequent progress review meetings at the end of February and prior to final completion of the report.