

NATIONAL WOOL DECLARATION - INTEGRITY PROGRAM (NWD-IP)

1. What is the National Wool Declaration?

The National Wool Declaration (NWD) was introduced in 2008 to provide information to the market place in response to inquiry from the users and buyers of Australian wool. The NWD is a voluntary Declaration from the woolgrower about information that cannot be objectively measured, namely Mulesing Status and Dark and Medullated Fibre Risk (DMFR). The information from the NWD is transferrable along the pipeline and is used by buyers of Australian wool in their purchasing decisions.

2. Why do I have to sign the NWD?

The signature of the Owner or Manager is critical in having a valid Declaration as they have knowledge of the history of each mob and they are responsible for the information provided. Shearers, woolclassers or selling agents cannot sign on behalf of the Owner/Manager.

3. What does the NWD-IP involve?

The NWD-Integrity Program is an independent verification of the accuracy of Declarations made by growers through cross-checking documentation (i.e. NWD, Classer's Specification and sale catalogue data), verifying the use of Pain Relief (PR), and On Farm Inspections of sheep declared as Non Mulesed (NM) or Ceased Mulesing (CM).

Since 2008, approximately 1000 desktop audits have been conducted annually, with 200 Declarations of PR verified by the Owner/Manager supplying evidence of the use of a registered PR product. Commencing in 2010, On Farm Inspections for Declarations of NM and CM are undertaken on 225 properties around Australia each year.

4. Why inspect properties or verify the use of Pain Relief?

The NWD-IP is a critical factor in buyers, processors, manufacturers and retailers having confidence in the Declaration. The Integrity Program supports the NWD by ensuring that buyers can rely on the accuracy of the Declarations made.

5. Who is conducting and who is paying for the NWD-IP?

The Australian Wool Exchange (AWEX) conducts the Integrity Program. AWEX is an independent, not-for-profit company, which develops standards, compliance programs and information systems on behalf of the Australian industry. The Inspections are paid for by AWEX. Buyers or processors may contract AWEX to conduct on farm Inspections on a fee-for-service basis.

6. How long is the NWD-IP going for and will it change?

The NWD-IP is an on-going program. The NWD-IP may change in response to the requirements of industry.

7. How did I get selected for Verification or an Inspection?

From the 1000 properties randomly selected each year for a desktop audit, Declarations of PR may be chosen for a PR Verification, while Declarations of NM or CM may be chosen for an On Farm Inspection. The Mulesing Status of properties of any size and in any location around Australia may be verified or inspected.

8. When will I be inspected again?

Even if your first Inspection/Verification is Compliant (sheep/mob are in agreement with the Declaration), it is possible that you will be inspected/verified in subsequent years.



THE ON FARM INSPECTION PROCESS

9. Who are the AWEX Inspectors?

The AWEX Inspectors are regionally based and all have an agricultural background with a strong emphasis on sheep and wool production. They understand the various farm management issues that can impact on when an Inspection may or may not be possible.

10. When is the initial contact made with the Owner/Manager?

The Inspector will telephone an Owner/Manager a few weeks before a visit, which will allow the Inspector and the grower to arrange a suitable date and time. Occasionally, a phone call may be made at short notice; this may happen when a property is located in an area where a number of Inspections are being carried out.

Once the arrangements are in place, the Owner/Manager will receive a letter from AWEX that details the Inspection and provides a copy of the relevant NWD and Classer's Specification and a brochure explaining the NWD-IP.

11. What issues are discussed during this initial phone call?

The Inspector will give the background to the NWD-IP and the timeframe that he/she would like to carry out the Inspection. The mob(s) that could be inspected are discussed to see if they are available. For example, Inspections will be scheduled to avoid inspecting ewes during late pregnancy or when they are lambing, or if the yards are too muddy.

12. What happens if circumstances prevent an immediate Inspection?

If an Inspection cannot be arranged for a planned Inspection Run, the Inspector will record this and make arrangements to undertake the Inspection at a later date.

13. What happens if the sheep have been sold?

In these circumstances, the Inspector will ask for proof of the sale of these sheep (i.e. account sale or National Vendor Declaration). This evidence must be sent to AWEX by post, fax or email.

WHAT HAPPENS DURING AN ON FARM INSPECTION

14. Why is a signature required to say that the mob is the one declared on the NWD?

All audit processes require checks and balances to ensure that the data collected is true and correct. This simple step signifies to the Inspector that the Owner/Manager is willing to go through the Inspection process.

15. What is required to prepare the sheep for Inspection?

The mob(s) needs to be brought to sheep yards with a race. The Inspector will run the sheep into the race to physically inspect the tail and breech regions for scars consistent with Mulesing. For mobs greater than 200, 200 sheep (e.g. a "wing" off a large mob) will be examined and for mobs less than 200, the entire mob will be examined.

16. What are the Inspectors looking for during the Inspection?

The Inspectors will closely examine the sheep for distinctive scars on the breech and/or the tail region of a sheep that result from the Mulesing operation. Therefore, the sheep need to be in a race and not in a paddock or yards. This unique scarring can be differentiated from shearing cuts or other breech modification techniques.

17. How long will an Inspection take?

Depending on the length of the wool and the cleanliness of the sheep, the Inspection takes from ½ to 1 hour. Time is also available for the Owner/Manager to discuss the NWD and its Integrity Program with the Inspector.

18. How many Mulesed sheep are allowed in a mob of Non Mulesed sheep?

There is no "allowable" number of Mulesed sheep in a Non Mulesed mob. To clarify, prior to shearing every effort must be made to draft off all Mulesed sheep from Non Mulesed sheep. The intention is that a Non Mulesed mob is just that, Non Mulesed. Only at an Inspection may the issue of Compliance take into consideration strays that may have got in with the mob post-shearing. Strays must be able to be easily differentiated from the declared mob (e.g. by ear-tags or ear-marks).

19. Why would my Declaration be incorrect?

There can be a number of reasons why a Declaration might be wrong or incorrect. This can be anything from an honest mistake, a mistake in understanding the question(s) asked, or a deliberate and misleading error. The Inspector will discuss circumstances surrounding an incorrect declaration with the Owner/Manager. In all circumstances, the buyer must be notified as they have purchased the wool with the understanding that the Declaration was correct.



OUTCOMES FROM AN ON FARM INSPECTION

20. Does the Owner/Manager get to see a report on the Inspection?

After completing the Inspection, the observations will be written down by the Inspector. At this time, the Owner/Manager is able discuss any aspect of these observations and add comment for inclusion in the report.

21. Does AWEX provide any other feedback on the Inspection?

The Inspectors send their Inspection Report to AWEX. Based on the written observations, AWEX sends a formal report back to the Owner/Manager listing the outcomes of the Inspection in terms of Compliance.

22. Is the result of the Inspection going to be publicised to anyone?

When an Inspection is Compliant (the Mulesing Status of the sheep complied with the Declaration), the information recorded during an Inspection and the formal report will be confidential between AWEX and the Owner/Manager. However, in cases of Non Compliance, both the broker and the buyer(s) of the wool will be informed.

In cases of Non-Compliance, AWEX will not take any legal action. However, the buyer(s) of the wool may choose to use the Trade Practices Act to take legal recourse for a false Declaration.

23. Will I be fined if my sheep are Non Compliant?

No fines will be applied to the outcomes of an Inspection (see Question 22 above).

24. Who else has been inspected?

The list of properties to be inspected and the results of each inspection is confidential. The Inspectors will not report on the outcomes of any Inspection to other growers, classers, brokers etc.

25. What are the results of the Inspections so far?

The outcomes of the Inspections are confidential and specific cases will not be publicised. To prevent the results of the Inspections being taken out of context, industry statistics on Non Compliance will only be reported when a sufficient number of Inspections have been conducted.

PAIN RELIEF VERIFICATION PROCESS

26. How is the use of Pain Relief at Mulesing Verified?

AWEX sends a letter to the Owner/Manager of the mob(s) declared as mulesed with PR requesting evidence of the use of a registered Pain Relief product on the entire mob(s).

27. What form does this evidence take?

For this Desktop Verification, the Owner/Manager must supply a copy of one of the following:

- Tax Invoice for the purchase of the PR product from a Veterinarian or other supply company.
- Tax Invoice from the mulesing contractor citing the use of the PR product.
- Tax Invoice or a Statutory Declaration from the source of the PR product (e.g. neighbour, relative).
- Where sheep have been purchased, either a Tax Invoice, a Statutory Declaration or an Animal Health Statement citing the use of the PR product from the Vendor.

Note, the Verification document should list the amount of PR product used and the number of lambs treated.

OUTCOMES FROM A PAIN RELIEF VERIFICATION

28. Does the Owner/Manager receive any feedback on the Verification?

AWEX sends a formal report back to the Owner/Manager listing the outcome of the Verification in terms of Compliance.

29. Is the result of the Verification going to be publicised to anyone?

When a Verification is Compliant, the information received during the Verification and the formal report will be confidential between AWEX and the Owner/Manager. However, in cases of Non Compliance, both the broker and the buyer(s) of the wool will be informed.

30. Will I be fined if my Pain Relief Verification is Non Compliant?

No fines will be applied to the outcomes of a Verification. See Question 22 above.



GENERAL QUERIES RELATED TO MULESING AND THE NWD

31. Will the National Wool Declaration become compulsory?

The NWD is a voluntary Declaration. While some organisations have requested it to be mandatory, the NWD is not compulsory.

32. When will Mulesing be banned?

The Australian and State governments along with wool industry bodies do not intend to ban Mulesing.

33. Can I go back to Mulesing?

The welfare of the Australian sheep population is paramount; therefore, Owners/Managers must ensure that all precautions are taken to protect their animals. If changed environmental/seasonal conditions result in higher than expected levels of fly-strike, then it is then responsibility of the Owner/Manager to implement appropriate flystrike prevention and/or treatment. This may include a return to Mulesing; however, the Australian Animal Welfare Standards and Guidelines for Sheep must be adhered to (go to www.animalwelfarestandards.net.au/sheep/).

34. Is there a price advantage for wool from Non Mulesed sheep?

The volume of NM wool is still relatively low and between and within sale price fluctuations make it difficult to pick up price signals. In addition, it is difficult to demonstrate premiums when NM consignments can take a long time to build. However, anecdotally when buyers are seeking to finalise a consignment comprising NM wool, within a sale, the price may rise by 30-40 cent/kg clean.

35. Are the buyers of Australian wool interested in the NWD?

Buyers, processors, manufacturers and retailers perceive that other wool producing countries, such as South Africa and New Zealand, have better animal welfare practices compared to Australia. In some circumstances, this has resulted in buyer preference for wool from these countries.

The introduction of the NWD has allowed Australia to declare information that can influence purchasing decisions. Following its inception, there has been increased interest from the wool pipeline in the NWD as well as the outcomes of Mulesing Status Verifications and Inspections.

36. What other information do the buyers/processors of Australian wool request?

It is the responsibility of the processor of the wool to seek documentation related to the Mulesing Status of wool they have purchased. Buyers may request a copy of the NWD for wool they have purchased for a processor.

In addition, buyers are now requesting Mulesing Status Certificates from AWEX to provide certainty to their customers on the Mulesing Status of declared wool. AWEX produces a Mulesing Status Certificate by checking all the sale lots in a consignment against the results of On Farm Inspections and/or Verifications. If a sale lot is found to be Non Compliant, the buyer will remove that lot from the consignment prior to delivery.

37. Is there a source of up-to-date information on all aspects of flystrike?

The State Departments of Agriculture or Primary Industries as well as other industry organisations (e.g. Sheep CRC, Australian Wool Innovation and Meat and Livestock Australia) will have information on their websites. The web-site: <u>www.flyboss.org.au</u> has a wide range of information on this topic.

38. Where do I find the NWD so I can make a Declaration?

NWD Version 7.0 was released in May 2017 and is available in many formats. Brokers may provide their clients with a Classer's Spec with an NWD included, or a single page for those who prefer to keep it separate or when "old" shearing stationery is in use. Go to <u>www.awex.com.au/publication/</u> for copies of each format.

FOR MORE INFORMATION

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