

The National Wool Declaration (NWD) is an initiative; developed in consultation with the Australian wool industry, to assist buyers and their clients gain access to credible information on issues such as Mulesing Status and Dark and Medullated Fibre Risk (DMFR). The NWD is a voluntary Declaration, developed so wool growers can communicate directly with their prospective buyers, processors, manufacturers and retailers about issues that can influence purchasing decisions but cannot be objectively measured.

The NWD Integrity Program (NWD-IP) is an extensive program of Desktop Audits and On Farm Inspections with a single purpose: to build wool pipeline and consumer confidence in Australian wool. Non Compliant Declarations can seriously reduce the credibility of the program and confidence in the Australian wool industry.

NWD INTEGRITY PROGRAM (NWD-IP)

Components of the NWD-IP

The NWD-IP comprises the following components as they relate to Mulesing Status:

Desktop Audit

Validate that the correct Mulesing Status is published – 1,000 Declarations p/a.

On Farm Inspection

Inspect Non Mulesed mob(s) and Ceased Mulesing properties – 225 Inspections p/a.

Desktop Pain Relief Verification

Validate mob(s) declared as mulesed with Pain Relief – 200 Verifications p/a.

Key Objectives of the NWD-IP

- To establish the accuracy of the NWD with respect to Non Mulesed, Ceased Mulesing and mulesed with Pain Relief Declarations.
- To provide an independent monitoring and reporting service to the wool industry pipeline, and
- In the event of Non Compliance, establish and implement corrective actions to prevent recurrence.

Audits or Inspections in Successive Years

A property is eligible for another Desktop Audit, Desktop Verification or On Farm Inspection in successive years for any Declaration, regardless of the outcome of any previous Audit(s) or Inspection(s).

3rd Party Requests for NWD-IP Inspections or Verifications

Inspections or Verifications may be conducted on behalf of a client (e.g. a wool buyer) at their cost. In these circumstances, the Owner/Manager would be informed of this request and their permission to undertake the Inspection sought.

Publication of NWD-IP Results

Only the Owner/Manager will receive a copy of the NWD-IP On Farm Inspection Report. While the individual results of an Inspection will remain confidential (AWEX will only produce and report to industry aggregated statistics on Compliance); if an appeals process proceeds, some aspects may be made public.

Extension and Education

The NWD-IP also comprises on-going extension and education aimed at improving woolgrower and buyer awareness and understanding of the NWD.

PROCEDURE FOR A DESKTOP AUDIT OF NON MULESED, MULESED WITH PAIN RELIEF OR CEASED MULESING

Document Request

Copies of the NWD and Woolclasser's Specification are requested (pre-sale) from the wool selling broker or private treaty merchant. These documents are checked against the published Mulesing Status - this is the Desktop Audit.

Any errors detected in this process are corrected presale, with the selling broker(s) and buyers notified.



PROCEDURE FOR A MOB DECLARATION OF NON MULESED

On Farm Inspection - Initial Contact

The Owner/Manager of a property to be inspected shall be contacted by the AWEX Inspector, who will discuss the Inspection and arrange the timing for it, usually within 1-3 weeks of this initial call. A letter detailing the arrangements for the Inspection, contact details for the Inspector, a copy of the NWD/Classer's Speci and copy of the NWD-IP procedures will be provided to the Owner/Manager.

On Farm Inspection - Secondary Contact

The Owner/Manager shall be contacted by the Inspector to remind them of the Inspection date/time and answer any other queries. This usually occurs a few days before the Inspection.

Presentation and Number of Mobs

The Owner/Manager will be asked to present sheep from nominated declared mob(s) in a set of yards with a race. If the original Non Mulesed mob has been combined with other sheep (e.g. another age group) and are presented as a mixed mob, the Non Mulesed sheep must be clearly identifiable (e.g. by ear tag).

Number of Sheep to be Inspected in a Mob

In most cases, it is not necessary to examine all sheep in the mob, a "wing" of sheep may be presented instead of the entire mob. Based on a statistical calculation, the Inspection protocol requires that a minimum of 200 sheep are inspected, or the entire mob if it is less than 200 head. The Inspector will randomly draft the sheep from each mob to be examined into the race.

Inspection Outcomes

Where the Declared Sheep have been Sold

If the mob of sheep Non Mulesed sheep has been sold, then proof of sale (i.e. National Vendor Declaration or Account Sale) must be provided to the Inspector or to AWEX. If there are no Non Mulesed sheep on the property, this will be finalised by telephone and/or letter.

Where the Declared Sheep are Mulesed

If some or all of a mob of sheep declared as Non Mulesed is actually mulesed or mulesed with Pain Relief, or the property is not eligible for Ceased Mulesing status, the Inspector will seek an explanation surrounding the incorrect Declaration. If further information is necessary to form a conclusion regarding Compliance, this will be arranged by letter.

Failure to Submit to an Inspection

Should an Owner/Manager decide not to submit to an Inspection, AWEX will make a fair and reasonable attempt to arrange an Inspection on another date/time. If no Inspection can be arranged, Non Compliance may then be determined. In this case, the actual mulesing status of the sheep has no bearing on the outcome since the Inspector has not been able to verify the mulesing status of the mob(s).

Outcomes for Declared Sheep Sold or Mulesed, or Failure to Submit to an Inspection

In these cases, based on receipt of the applicable information (e.g. National Vendor Declaration or Account Sale, the report from the Inspector, or a written response from the Owner/Manager), AWEX will determine whether the Brand (PIC) is Compliant or not.

Note, the buyer will be notified of any change in status.

Owner Statement

Prior to the Inspection, the Owner/Manager is to complete Part 1 of the NWD Mulesing Status Inspection Report where he or she affirms that the sheep/mob(s) presented are those declared, or are representative of those declared, on the NWD.

Sheep Inspection

For each sheep inspected, the breech and tail region shall be physically examined for evidence of mulesing.

Reporting

The NWD Mulesing Status Inspection Report (Part 2) shall be completed by the AWEX Inspector and will include a detailed description of the mob(s) inspected, any observations including scarring patterns and information provided to the Inspector during the Inspection.

In the event of Non Compliance, the exact nature of the Non Compliance shall be documented. This shall include the number of sheep observed of each mulesing status, the age and ear tag/mark of the sheep considered by the Inspector to be mulesed, and a description of the scar pattern(s) etc. Photographs may be taken, if necessary.

This information is detailed in a formal NWD-IP On Farm Inspection Report (that confers Compliance or Non Compliance) provided to the Owner/Manager by AWEX after the Inspection.

Non Compliance

Where evidence inconsistent with the Declaration is discovered (i.e. the Declaration is Non Compliant), the Inspector will work with the Owner/Manager to establish the likely cause of the Non Compliance.

Corrective Action(s) for Non Compliance

Owner Agrees with the Inspector's Findings

 If the Owner/Manager agrees with the Inspector regarding Non Compliance, possible corrective actions will be discussed (e.g. changing ear tags of mulesed sheep, moving them to a mulesed mob or commitment to selling off mulesed sheep prior to the next shearing), and this shall be recorded by the Inspector. The Owner/Manager may then submit subsequent Declarations.



 Note: Any subsequent NWD declaring Non Mulesed or Ceased Mulesing will be compared to previous Non Compliance Reports to determine if additional information from the Owner/Manager is required. The Declaration may then be accepted, invalidated prior to sale, or mob(s) may be inspected again.

Owner Disagrees with the Inspector's Findings

- If the Owner/Manager disagrees with the Inspector regarding Non Compliance and the matter cannot be resolved to the satisfaction of AWEX, future NWD Declarations for that property will not be accepted and will be invalidated prior to sale.
- 2. Note: A second opinion from a different Inspector may be conducted prior to any corrective action being undertaken. If a second Inspection provides a different result to the first Inspection, the Owner/Manager may be able to submit further Declarations. However, if a second Inspection provides the same result as the first Inspection, no future Declarations will be accepted for that property and they will be invalidated prior to sale (unless mobs are inspected again).

Appeal

AWEX will afford an Owner/Manager the same appeal rights to a review committee of AWEX as would apply to an AWEX member responding to a complaint, notwithstanding the Owner/Manager may not be a member. To the extent AWEX considers a NWD may be misleading or deceptive, it will treat the matter as it would an issue with a member.

PROCEDURE FOR A PROPERTY DECLARATION OF CEASED MULESING

The procedures for an On Farm Inspection of Ceased Mulesing status are the same as those applied to a Declaration for Non Mulesed, with the exception that the mobs chosen relate to proving the Ceased Mulesing status of the property. These mobs are described below:

<u>Declaration of Ceased Mulesing (Sheep born on the Property)</u>

The Owner/Manager will be asked to present in a set of yards with a race, sheep from a maximum of 2 mob(s) of younger Non Mulesed sheep that have been born on the property in the previous 12 months. If the younger Non Mulesed mob has been combined with other mulesed sheep (e.g. another drop) and are presented as a mixed mob, the Non Mulesed sheep must be clearly identifiable (e.g. by ear tag or ear mark).

<u>Declaration of Ceased Mulesing (Sheep brought</u> onto the Property)

If mulesing is not undertaken on the property but Non Mulesed sheep are purchased and brought onto it, the Owner/Manager will be asked to present in a set of yards with a race, sheep from a maximum of 2 mob(s) of any purchased sheep.

PROCEDURE FOR A MOB DECLARATION OF MULESED WITH PAIN RELIEF

For mobs declared as mulesed with Pain Relief, evidence of the use of the registered Pain Relief product on the entire mob must be provided by the Owner/Manager to AWEX on request. For this Desktop Verification, the Owner/Manager supplies a copy of one of the following:

Pain Relief Product purchased from Veterinarian or other Supply Company

Tax Invoice for the purchase of the Pain Relief product, including the amount of product purchased and the number of lambs treated.

<u>Pain Relief Product supplied by Mulesing</u> Contractor

Tax Invoice for contract mulesing citing the use of the Pain Relief product, including the amount of product used and the number of lambs treated.

Pain Relief Product supplied by Other Source

Either a Tax Invoice or a Statutory Declaration from the source (e.g. neighbour, relative), including the amount of Pain Relief product supplied and the number of lambs treated.

Pain Relief Product used by Vendor

Where sheep have been purchased, either a Tax Invoice, a Statutory Declaration or an Animal Health Statement from the Vendor, including the amount of Pain Relief product used and the number of lambs treated.

DEFINITIONS/TERMINOLOGY

National Wool Declaration (NWD)

The National Wool Declaration is a voluntary Declaration made by the Owner/Manager of the wool growing enterprise.

By completing and signing the Declaration, the Owner/Manager agrees to participate in the NWD-IP, viz. Desktop Audits/Verifications and On Farm Inspections.

Eligible Declarations

A Declaration is deemed to be eligible for an NWD-IP Desktop Audit, Verification or On Farm Inspection if it contains one of the following: a mob that is Non Mulesed, and/or a mob that is mulesed with Pain Relief, and/or an affirmative response to Ceased Mulesing.



Mulesing

The removal of skin from the breech <u>and/or</u> tail of a sheep using mulesing shears.

Source: Australian Animal Welfare Standards and Guidelines for Sheep.

Ceased Mulesing

Wool from sheep where mulesing has ceased on the property. No lambs born on this property in the last 12 months have been mulesed. No purchased sheep are mulesed.

Non Mulesed

No sheep in this mob has been mulesed.

Mulesed with Pain Relief

<u>All sheep</u> in this mob have been <u>mulesed using a</u> registered Pain Relief product.

Note: PR must be declared separately for each mob (it is <u>not</u> a property Declaration).

Mulesed

Some/all sheep in this mob have been mulesed.

FOR MORE INFORMATION

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Non Compliance

Two levels of Non Compliance may be determined with the evidence as indicated below:

Level 1

- a misunderstanding of Mulesing Status
- incorrect completion of NWD
- greater than 1% of incorrectly declared sheep in the declared mob (with an adequate explanation for their presence)

Level 2

- a deliberate false Declaration
- greater than 1% of incorrectly declared sheep in the declared mob (without an adequate explanation for their presence)
- failing to submit to an Inspection/Verification (after a fair and reasonable attempt has been made to arrange it)

Note: If a Declaration (regardless of type) is found to be Non Compliant, the buyers (and the broker) of the incorrectly declared wool are informed and advised of the correct mulesing status. They and their wool processing clients will consider their position.