



National Wool Declaration & Integrity Program

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National Wool Declaration

AWEX commenced development of the NWD in 2007

-  Request from Buyers for information,
-  Information subjective,
-  Traceability and transfer of information is key,
-  Threats to loss of competition in the market place.

Initial Customer interest (Europe and USA)

- Corporate and Social Responsibility
- Other industries, not just wool
- Understand mulesing issues
- Short-term, medium and long-term strategies

National Wool Declaration

Key principles of the NWD

-  Transparency/Traceability,
-  AWEX independent to transaction,
-  Customer confidence in the Declarations,
-  Customer confidence in AWEX & process,
-  Ownership of the NWD throughout the wool processing pipeline
-  NWD to evolve with customer & market interest,
-  Regular and open review.

National Wool Declaration

NWD Introduced in August 2008

NWD is voluntary



Calls from customers for NWD to be mandatory

Outcomes



Weekly desk-top audits of NWD pre-sale,



Development of market signals over time,



Allows Buyers to make informed purchases,



Allows woolgrowers to make informed decisions,



Single document including all declared information
(Mulesing Status, Dark & Medullated Fibre Risk).

Catalogue/Certificate Codes

Mulesing Status Code	Title	Definition
NM	Not Mulesed*	Wool from sheep that have not been mulesed.
PR	Pain Relief	Wool from sheep that were treated with a recognised Pain Relief product at mulesing.
CM	Ceased Mulesing	Any sheep born on this property in the last 12 months must not be mulesed at the time of this shearing and there must be no intention to mules in the future.
	Blank	A mob contains mulesed sheep and/or the grower continues to mules without the use of pain relief.
ND	Not Declared	A Declaration has not been submitted or NWD has not been signed, or it is a rehandle lot.

*Mulesing = Removal of skin from the breech and/or tail of a sheep using mulesing shears

VMC MULE	ACY	JCSY	SCD 17%	SCH DRY	VMB NET	MIC	S/L		S/S	POB			SS25	Lot no	Bls	
							MM	cv%	N/KT	T	M	B	DMFR			
0.1 1.7	67.9 774	71.6 816	74.9 854	69.9 797	1.8 1,140	17.9 21.2%	87 MF4S.	12 SALTBUSH/DOWNS	29 V21	60 AAAASUP	38 2	18 1	P 1229	6		
NM													P			
0.1 6.7	54.5 1153	57.6 1219	66.7 1411	54.1 1145	6.8 2,116	16.7 22.2%	73 MP5S.	20 AAAPCS	25 39	50 11	14 14	P 3209	11			
NM													P			
2.2 6.0	55.7 747	58.5 784	69.3 929	54.8 735	8.2 1,341	16.9 20.1%	68 MB5S.H1C1	19 18	31 59	10 10	9 9	P 3219	7			
PR													P			
2.2 4.9	50.9 466	54.0 494	63.4 580	50.3 460	7.1 915	17.2 20.9%	66 MB6S.	21 AABLS	15 25	58 17	6 6	P 3220	5			
PR													P			
0.2 0.5 0.4	63.6 1258	67.5 1335	69.9 1383	66.2 1309	1.1 1,978	21.9 18.3%	114 MF5T.	10 N39	38 AAAM	19 19	70 11	19 2	Q 1001	11		
CM													P			
0.4 0.4 0.6	65.2 477	68.9 504	71.7 525	67.6 495	1.4 732	22.1 19.5%	110 MF5T.	11 AAAM	37 32	58 58	10 10	23 2	Q 1002	4		
CM													P			

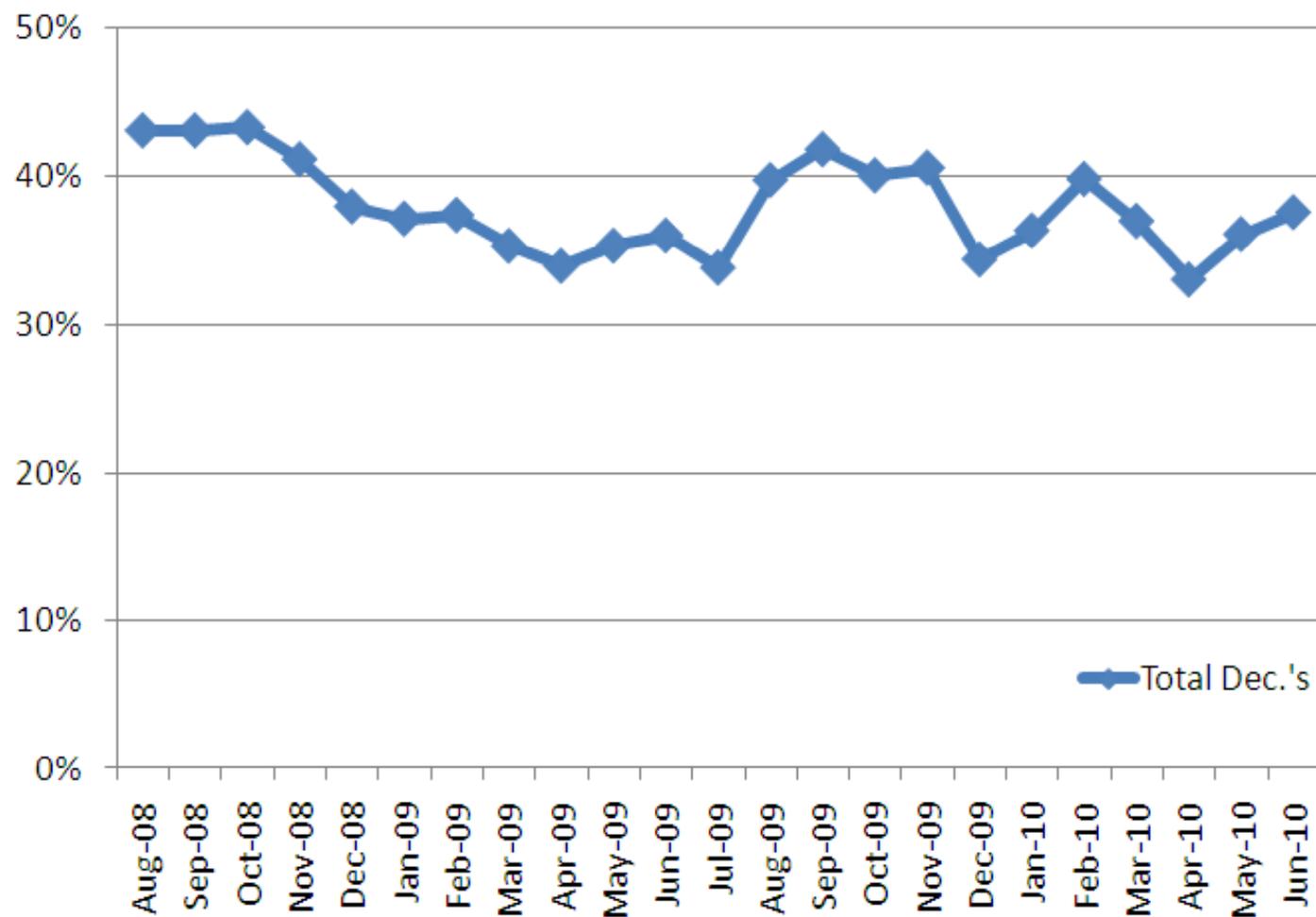
National Wool Declaration

Mulesing Status: information available electronically and on Test Certificates (tradable documents)

NWD reviewed annually

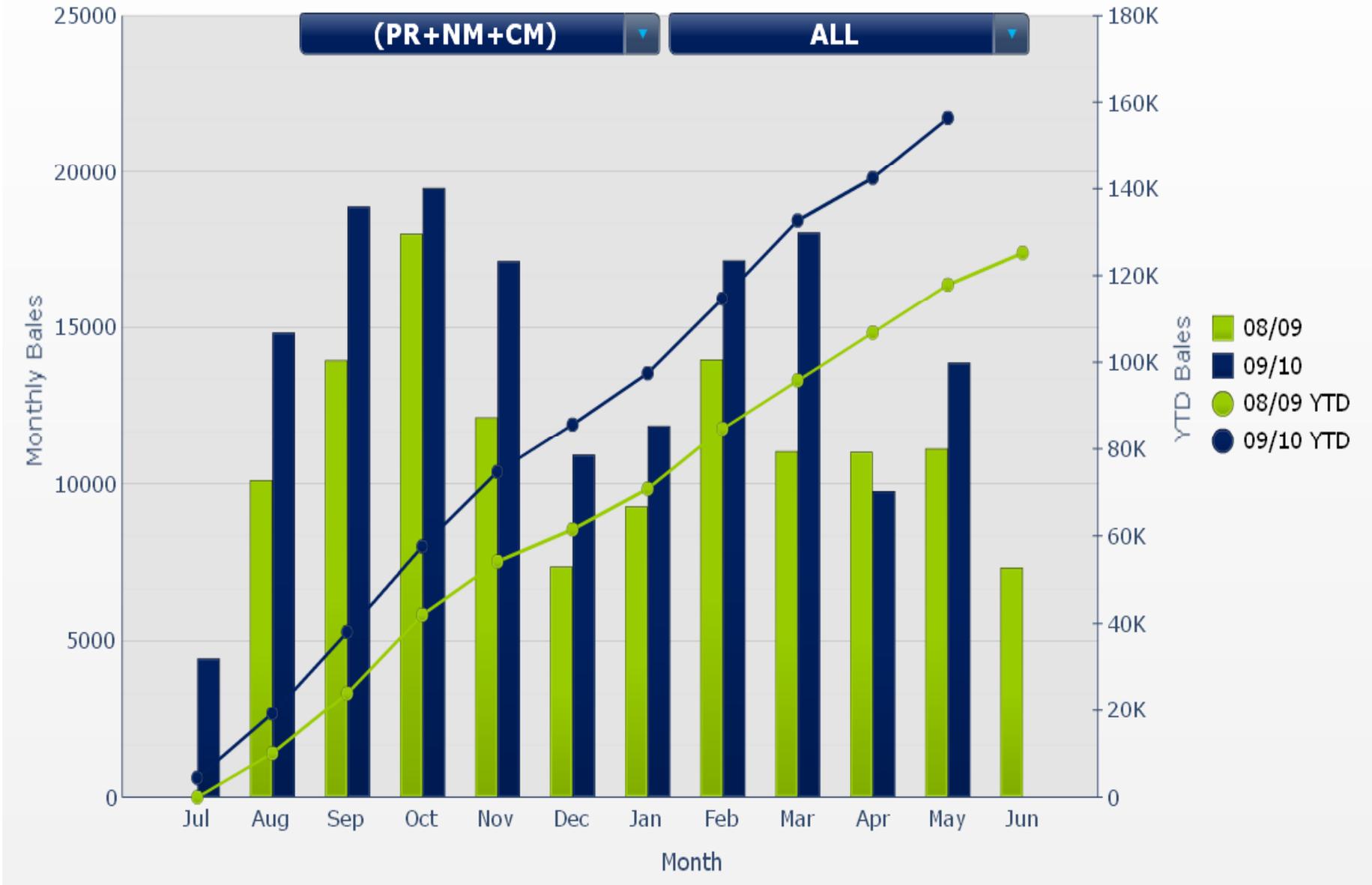
-  Input from Australian industry stakeholders,
-  Input from customers (UK 2009),
-  All options and new technologies considered,

Total Declarations

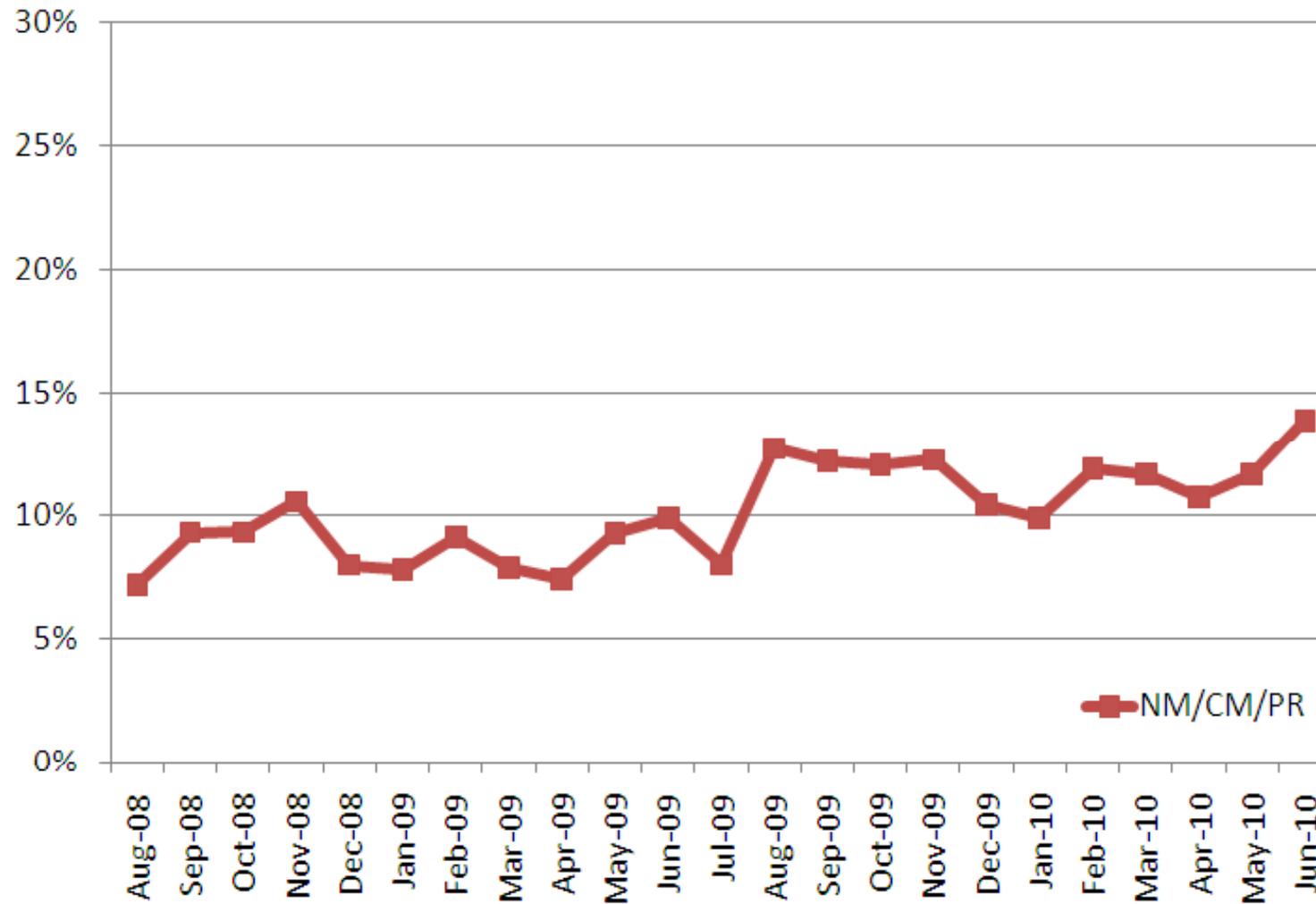


Mulesing Status - Bales Offered

First Hand Offered, Australian, Clip Wool
 Mulesing Status: (PR+NM+CM) Wool Category: ALL



NM&CM&PR % of total clip sold at Auction



kg

Mulesing Status - Bales Offered

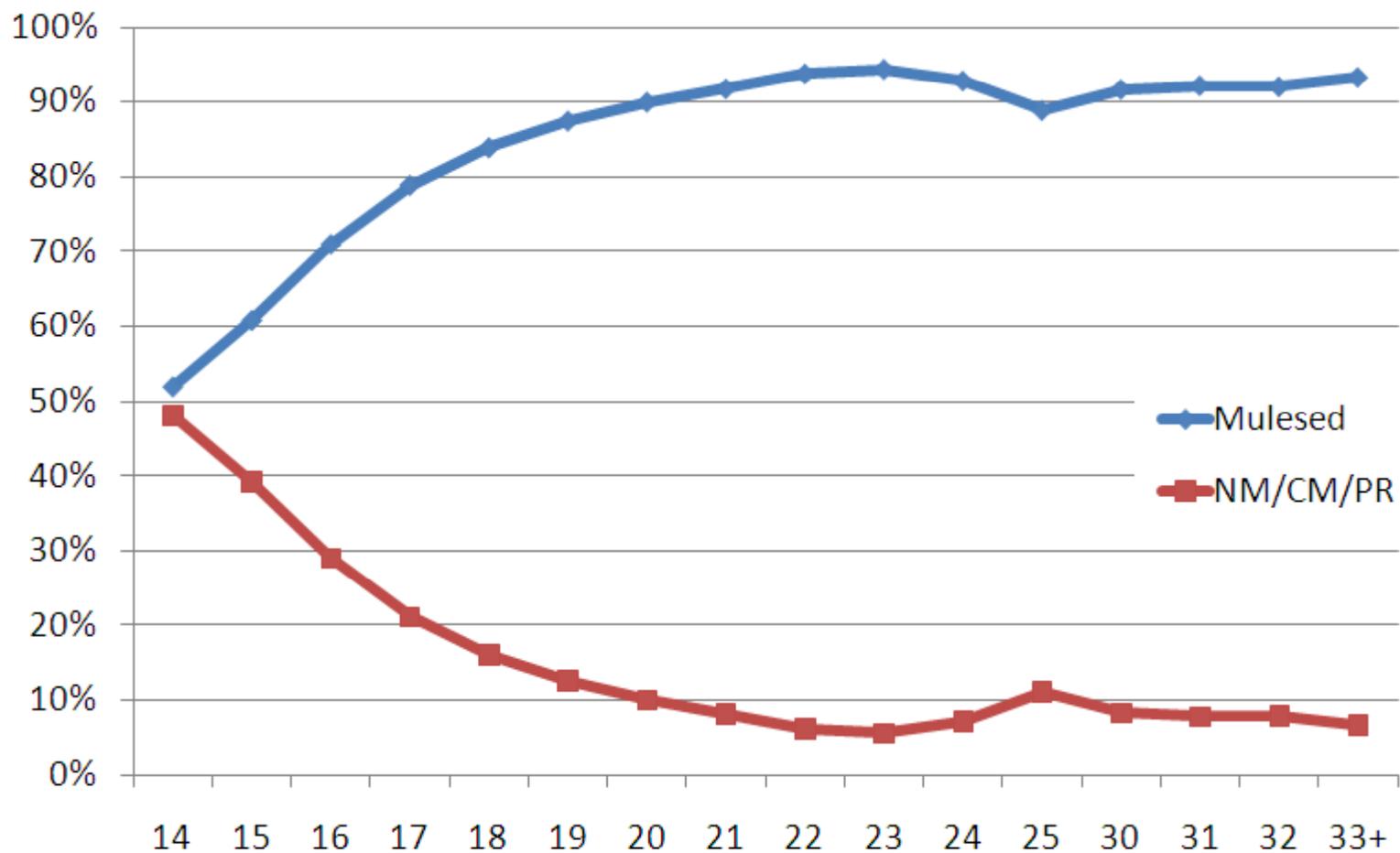
First Hand Offered, Australian, Clip Wool

Mulesing Status

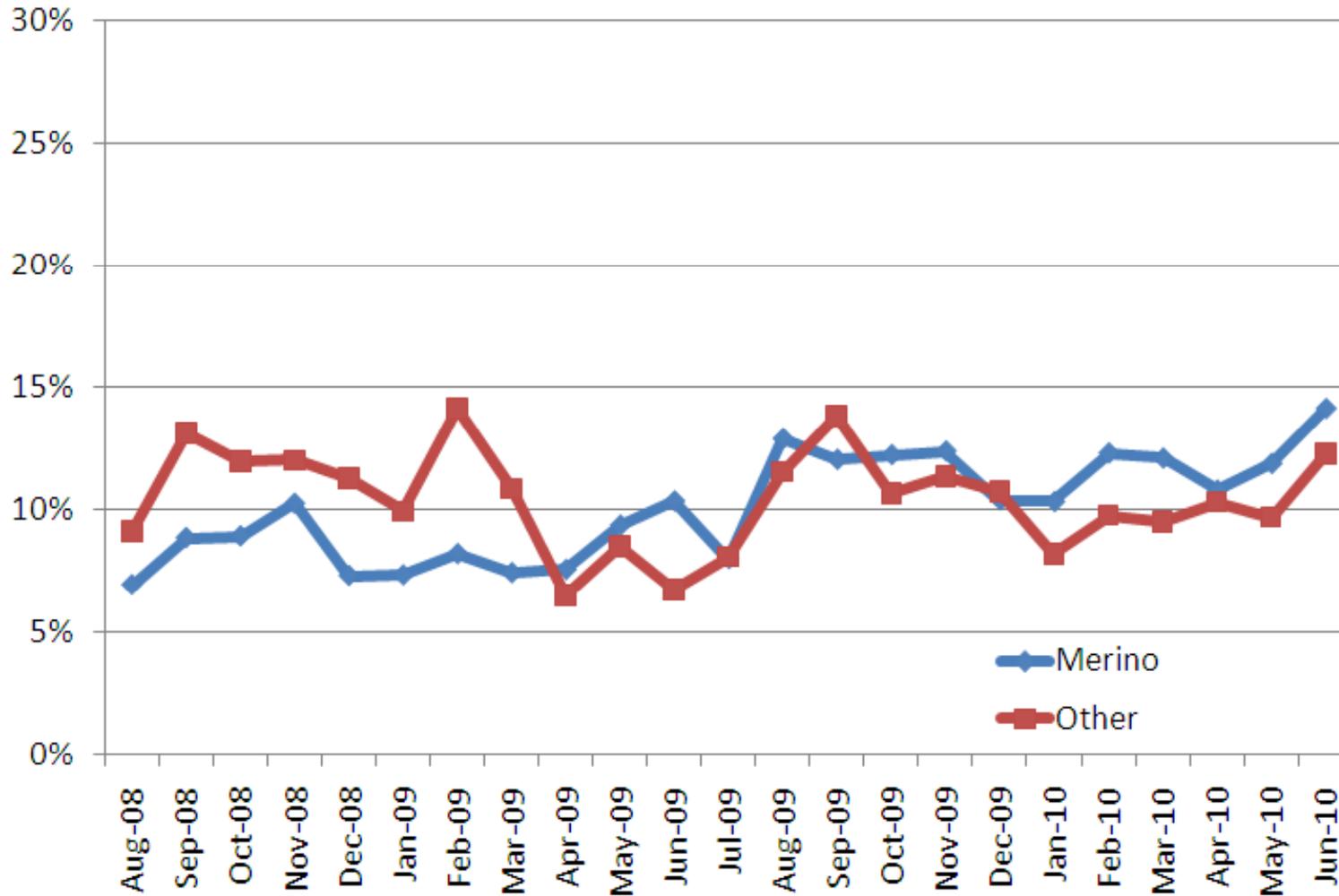
Wool Category



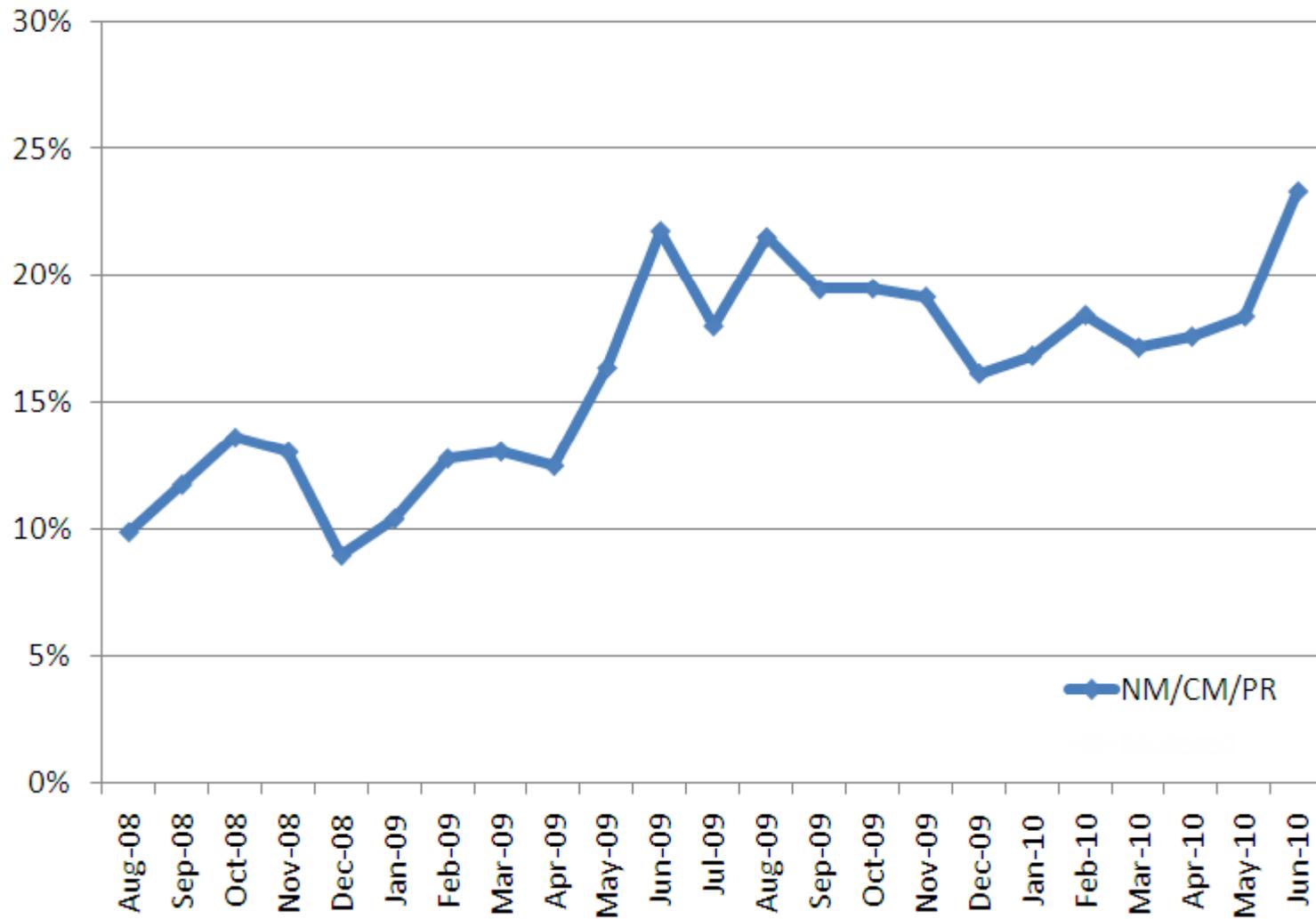
% of wool sold at auction by micron



% NM,CM & PR wool sold at auction by breed



% NM, CM & PR wool from young Merino's



National Wool Declaration

NWD established and recognised:

 Internationally by customers,

 Domestically by

 Woolgrowers,

 Wool Brokers,

 Wool Buyers, &

 Government.

AWEX NWD Integrity Program

The “missing link” between the credibility of the NWD and customer confidence is the 3rd Stage of the AWEX NWD-Integrity Program:

On-Farm Inspection

AWEX NWD Integrity Program

Implementation Funding

-  AWEX awarded joint funding with the Department of Agriculture, Fisheries and Forestry, Promoting Australian Produce Grant.

Why AWEX?

-  Independent organisation.
-  Experience in conducting QA programs and the development of the NWD.

AWEX NWD Integrity Program

Elements of the NWD-IP

-  Education, Extension and Communication:
 - Australian woolgrowers and industry stakeholders,
 - Overseas customers,
-  Desk Top Audits (pre-sale)
 - Information validation,
-  On-Farm Inspection:
 - Random selection of NM & CM declared wool clips,
 - Appointment of on-farm inspectors,
-  Desk-top Authentication:
 - Random selection of PR declarations

AWEX NWD Integrity Program

NWD-IP 2010/11

Appointment and training of on-farm inspectors,

Random selection of properties:

-  Desk Audit - 1000 declarations for all auction sales ($\approx 5\%$)
-  Desktop Authentication - 100 PR declarations ($\approx 5\%$)
-  On-Farm Inspection - 225 NM or CM declarations ($\approx 7\%$)

AWEX NWD Integrity Program

On-Farm Inspection

Sheep/Mobs:

-  Less than 6 months off shears
-  If mixed, they must be identifiable by ear tags
-  To be presented in yards (with a race)
-  If sold, proof of sale must be provided

Contact with Grower:

-  Documents provided to grower 4 – 6 weeks prior
-  Phone call to exchange information and schedule date/time
-  Appointment confirmed 2 weeks prior

AWEX NWD Integrity Program

Inspections for NM and CM*:

-  Owner/manager signs statement that sheep presented are those declared on the NWD
-  For mobs <200 sheep = the entire mob; for mobs >200 sheep = 200
-  Clinical inspection of breech and tail for evidence of mulesing scar patterns
-  Inspection Report for outcomes of inspection and other details (e.g. age, ear tags, sheep numbers, etc.)

*A younger mob(s) of non mulesed sheep born on the property must be presented for Inspection

AWEX NWD Integrity Program

Inspection Outcomes

Compliant:

 All aspects correct or <1% strays (with adequate explanation)

AWEX NWD Integrity Program

Non Compliant (Level 1):

-  a misunderstanding of the process
-  incorrect completion of the NWD
-  >1% strays in declared mob (with adequate explanation)

Corrective Actions (Level 1):

-  Immediate corrective action (e.g. changing ear tags of mulesed sheep and moving to a mulesed mob).
-  If immediate corrective action is not possible, subsequent NWD's declaring NM or CM will not be accepted unless mob(s) involved are Inspected again (at cost to the grower – prior/at shearing).

AWEX NWD Integrity Program

Non Compliant (Level 2):

-  a deliberate false Declaration
-  >1% strays in declared mob (without adequate explanation)
-  failing to submit to an Inspection (after fair and reasonable attempt has been made to arrange it)

Corrective Action (Level 2):

-  If Owner/Manager disagrees with the Inspector and the matter cannot be resolved to the satisfaction of AWEX, future NWD Declarations will not be accepted.

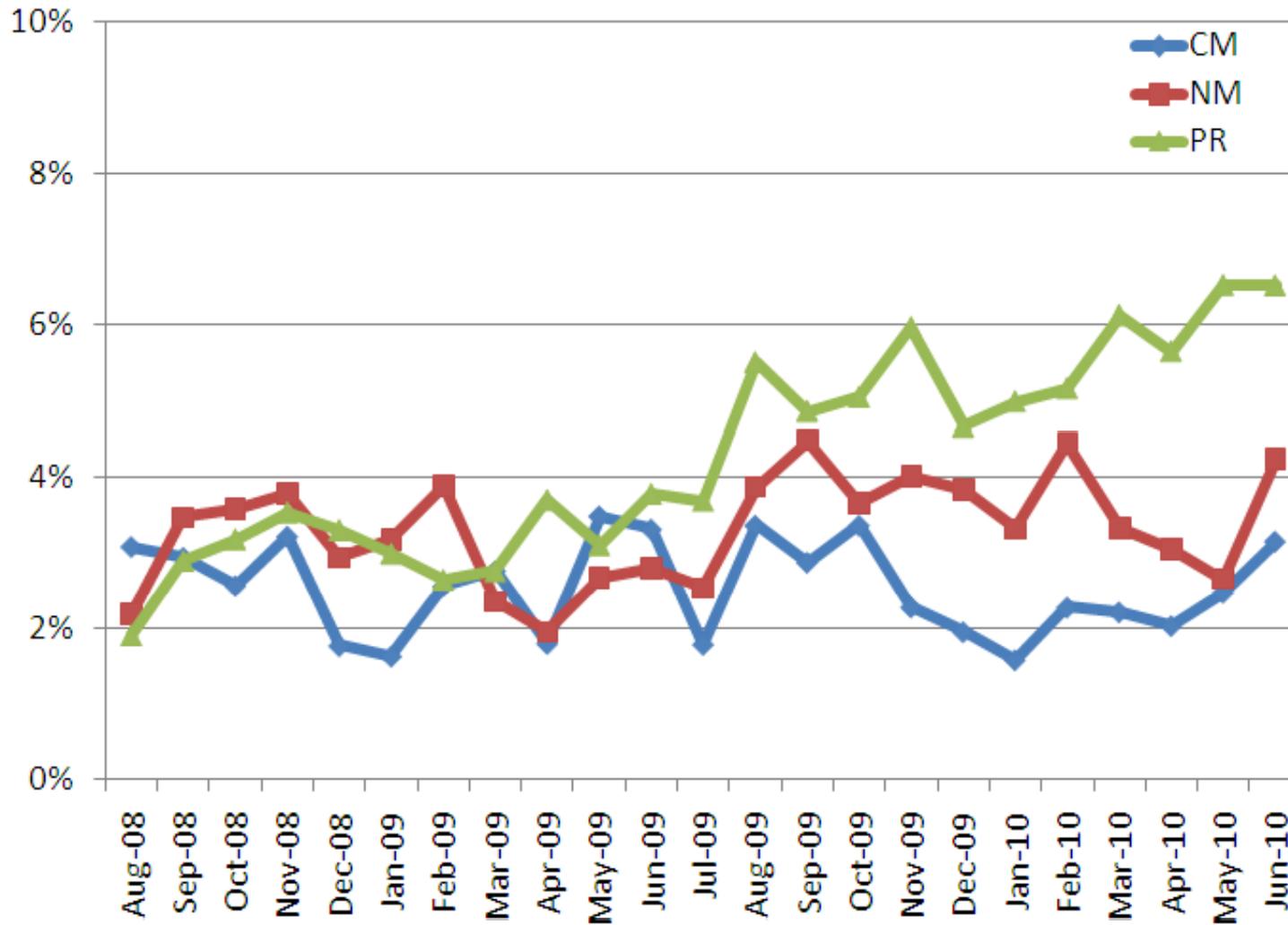
Note: A second opinion can be sought from a different inspector

National Wool Declaration

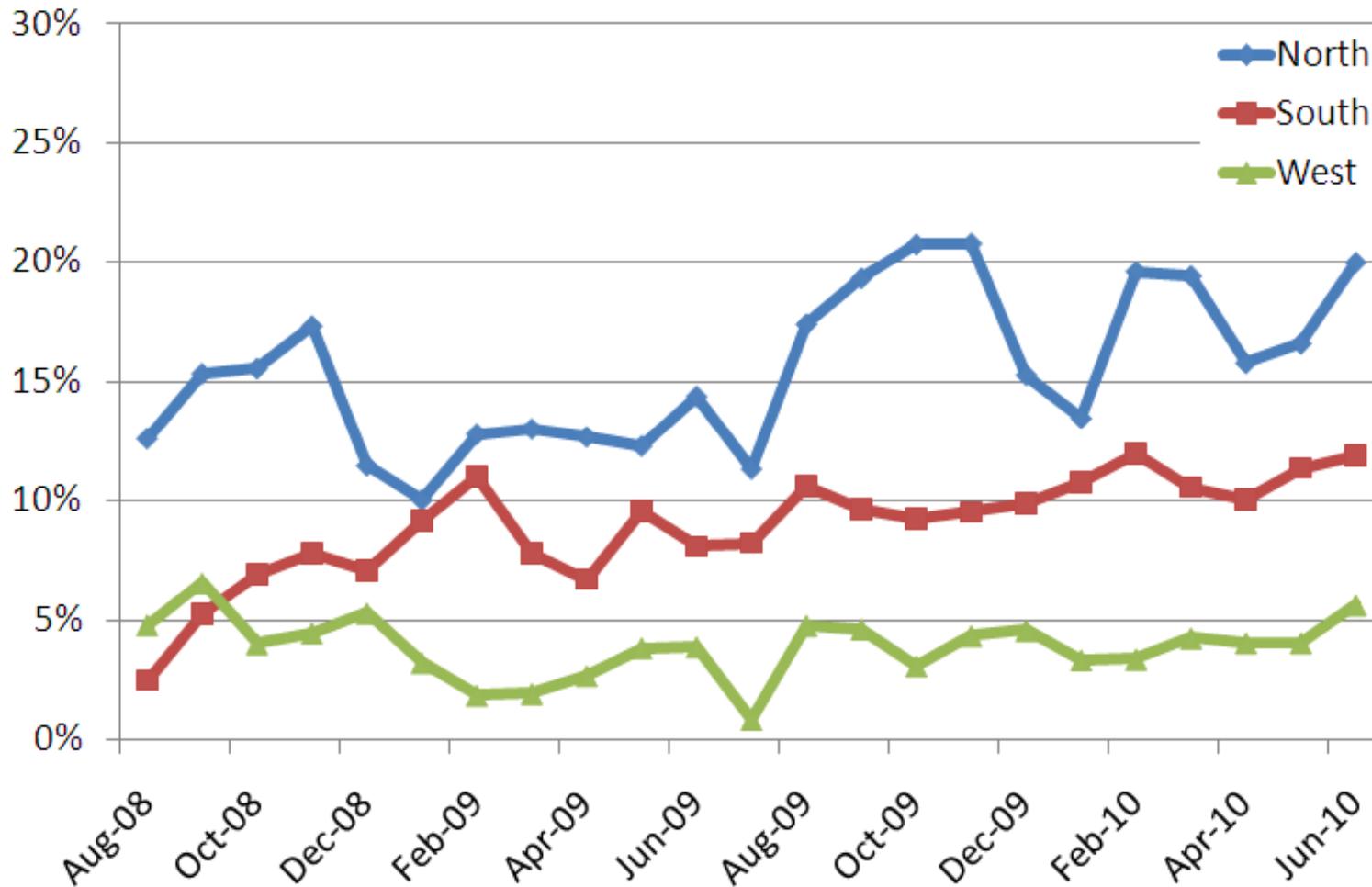
Challenges for the industry

-  Increase adoption rates,
-  Listening to our customers,
-  Improve awareness and understanding of customer needs,
-  Establishing an Integrity Program which maintains the confidence of our customers,
-  A sustainable integrity program (NWD-IP)

By status - % of total wool sold by auction



By Region - % of total wool sold by auction





awi

Australian
Wool Innovation
Limited