

National Wool Declaration Integrity Program



we know wool



Maintaining Wool Integrity

Declaring what the World's now Demanding

The National Wool Declaration (NWD) is an initiative by 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. The NWD is a voluntary declaration, developed so Woolgrowers can communicate directly with prospective buyers, processors, manufacturers and retailers about issues that can influence purchasing decisions but cannot be objectively measured.

AWEX is an independent not-for-profit company whose primary role is to develop standards, compliance programs and information systems for the Australian wool industry. The AWEX programs underpin the framework of an open and transparent trading system, which allows information to be accessed along the wool pipeline. AWEX and its programs are recognised globally as the industry benchmark for quality and integrity.

The NWD Integrity Program (NWD-IP) was developed by AWEX in consultation with industry to ensure the integrity and accuracy of the NWD thereby providing buyers of Australian wool with confidence in their purchasing decisions. The NWD-IP is jointly funded by AWEX and the Department of Agriculture, Fisheries and Forestry.

The AWEX NWD-IP includes an independent Desktop Audit of declarations and an independent On Farm Inspection of eligible properties. The NWD-IP also includes an ongoing extension and education program aimed at improving Woolgrower awareness and understanding of marketing issues and trends.

On Farm Inspections will be conducted randomly by AWEX on properties where the Owner/Manager has declared that the wool is from sheep that are Non Mulesed and/or they have given an affirmative response to Ceased Mulesing.

The NWD-IP is necessarily a detailed and extensive program with a single purpose: to build wool pipeline and consumer confidence in the Declarations made by Australian Owner/Managers on Mulesing Status.

Key Objectives of the NWD-IP

1. To establish the accuracy and veracity of the NWD with respect to Non Mulesed, Ceased Mulesed and Mulesed with Pain Relief declarations.
2. To progressively report to the pipeline the aggregated outcomes of the NWD Integrity Program, and
3. In the event of a Non Compliance, establish how this occurred and implement corrective actions including education to prevent re-occurrence.

Integrity Program (NWD-IP)

Sample Selection Criteria

A random sample of Declarations (i.e. properties) from all Eligible Declarations will be selected. The number of properties inspected is determined statistically so that if 2% of declarations are non compliant, these will be detected with a 99% level of confidence.

Properties in the random sample will be subject to inspection usually within 5 months of wool offered for (auction) sale or 6 months off shears. In 2010/11 the following components of the NWD-IP are anticipated:

Desktop Audit (verifying that the correct Mulesing Status is in a Sale Catalogue)

For all Declarations - 1000 Declarations

On Farm Inspection

Declarations for Non Mulesed mob(s) and Ceased Mulesing properties only - 225 Declarations

Desktop Authentication

Declarations for mob(s) Mulesed with Pain Relief - 100 Declarations

Procedure for a Mob(s) Declaration of Non Mulesed

Document Request

Copies of the NWD and Woolclasser Specification shall be requested (pre sale) from the wool selling broker or private treaty merchant. Documents shall be checked against the published Mulesing Status; this is the Desktop Audit.

Initial Contact

A copy of the NWD-IP booklet shall be provided to the Owner/Manager along with a copy of the NWD and a letter advising that the property has been randomly selected for an Inspection.

The Owner/Manager of a property to be Inspected shall be contacted by the Inspector, who will seek extra information regarding the mobs that were listed on the NWD. The Inspector shall discuss aspects of the Inspection as required by each Owner/Manager and consult on the most suitable timing for the Inspection. An Inspection should be within 4-6 weeks of this initial call.

Secondary Contact

The Owner/Manager shall be contacted by the Inspector to finalise the Inspection date/time and mob presentation. This will be approximately 1 to 2 weeks prior to Inspection.

Presentation and Number of Mobs

The Owner/Manager will be asked to present in a set of yards with a race all sheep from a maximum of 2 nominated Non Mulesed mobs on the Declaration. 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 eartag).

The declared sheep will be drafted randomly into a race by the Inspector where the clinical Inspection process will occur.

Where the Declared Sheep have been Sold

If the mob of sheep has been sold, then proof of sale must be provided to the Inspector (i.e. National Vendor Declaration or Account Sale).

Owner Statement

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 on the NWD.

Number of Sheep to be Inspected in a Mob

In most cases, it is not necessary to examine all sheep in the mob. The NWD Integrity Program uses a statistical calculation that allows the Inspector to examine a sample of the total mob. The Inspector will randomly draft the sheep to be examined into the race.

Mob Description	Sheep to be Inspected
200 or more sheep	= 200
Less than 200 sheep	= Entire mob

Procedure for a Mob(s) Declaration of Non Mulesed *cont...*

Clinical Inspection

The Inspector shall physically inspect the breech and tail region of each sheep for evidence to support the declaration and report any distinctive scarring patterns that may indicate non compliance such as those typical of mulesing.

The NWD Mulesing Status Inspection Report (Part 2) completed by the Inspector will include details of any clinical observations deviating from standard mulesing patterns.

Other Inspection Outcomes

Non compliance may involve a misunderstanding of the process, incorrect completion of the NWD, or failing to submit to an Inspection (after a fair and reasonable attempt has been made to arrange it).

Reporting

The Inspector shall complete Part 2 of the NWD Mulesing Status Inspection Report. This shall document the outcomes of the Inspection. Where the evidence is inconsistent with the Declaration, the exact nature of the inconsistency/Non Compliance shall be documented. This shall include the number of sheep observed of each Mulesing Status, the age of the sheep, the tag numbers for the sheep considered by the Inspector to be mulesed, and a description of the scar pattern(s) etc.

Inconsistent Evidence

Where evidence inconsistent with the Declaration is discovered by the Inspector as a result of the clinical Inspection, the Inspector will work with the Owner/Manager to establish the likely cause of the Non Compliance.

Corrective Action(s)

- (a) If the Owner/Manager agrees with the Inspector on inconsistent evidence and implements immediate corrective action (to prevent re-occurrence) to the satisfaction of the Inspector (e.g. changing eartags of sheep considered by the Inspector to be mulesed and moving them to a mulesed mob), then this shall be recorded by the Inspector and the Owner/Manager may then submit subsequent Declarations.
- (b) If the Owner/Manager agrees with the Inspector on inconsistent evidence and does not implement corrective action, the next NWD declaring Non Mulesed or Ceased Mulesing submitted by the Owner/Manager for subsequent shearing(s) will not be accepted or will be invalidated prior to sale, unless the mobs involved are Inspected again (at cost to the Grower).
- (c) Where inconsistent evidence is determined by the Inspector and the Owner/Manager does not agree with the evidence recorded by the Inspector, prior to taking any corrective action, a second opinion from a different Inspector may be sought.

Where a second opinion or inspection provides:

- the same result as the first Inspection (non compliant), future NWDs will not be accepted from that entity (PIC) and will be invalidated prior to sale until corrective action is undertaken and validated by a subsequent Inspection. The cost of the subsequent inspection shall be borne by the Grower.
- a compliant result, the cost will be borne by AWEX.

- (d) In the event of Non Compliance, the details of the Inspection will be advised to the selling agent and the purchaser(s) of the relevant lot(s).

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. In this regard, it is noted that members of AWEX are prohibited from engaging in misleading or deceptive conduct. To the extent AWEX considers a NWD may be misleading or deceptive, it will be handled in the same manner as an issue with a member.

Procedure for a Property Declaration of Ceased Mulesing

The operational 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 for the Inspection relate to proving the Ceased Mulesing Status of the property. These mobs are described below:

Declaration of Ceased Mulesing (Sheep born on the Property)

The Owner/Manager will be asked to present in a set of yards with a race, all 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 sheep (e.g. another drop) and are presented as a mixed mob, the Non Mulesed sheep must be clearly identifiable (e.g. by eartag). The sheep will be drafted randomly into a race by the Inspector where the clinical Inspection process will occur.

Declaration of Ceased Mulesing (Sheep brought onto the Property)

If mulesing is not undertaken on the property but sheep are purchased and brought onto it, proof of purchase must be provided to the Inspector (i.e. National Vendor Declaration or Account Sale).

Procedure for Declarations of Mobs Mulesed with Pain Relief

For mobs declared as Mulesed with Pain Relief, evidence of the use of the pain relief product on the entire mob must be provided by the Owner/Manager to the Inspector. This involves Desktop Authentication where the Owner/Manager supplies a copy of:

Pain Relief Product supplied by Veterinarian

Tax Invoice for the purchase of the pain relief product including the amount of product purchased and the number of lambs treated.

Pain Relief Product supplied by Mulesing Contractor

Tax Invoice for the contract mulesing of a specific number of lambs using a specific quantity of pain relief product.

Pain Relief Product supplied by Other Source

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

Inspection in Successive Years

If a property's first On Farm Inspection is compliant, it will be excluded from the random selection of Declarations for 3 years. In the case of Non Compliance – No Action to be Taken, a successive Inspection may be conducted. If the property is Non Compliant – Action to be Taken, an action listed in Corrective Action(s) will be applied.

NWD Integrity Program Inspection Report

The Owner/Manager will receive a copy of the report submitted to AWEX that details the observations made related to Mulesing Status, sheep identification (e.g. eartag numbers), age, scar patterns (if applicable) and any other relevant comments. The NWD-IP (On Farm Inspection) results and actions (if applicable) will be included in this report.

Publication of NWD-IP Results

While the details of an Inspection are treated confidentially, AWEX will produce and report to industry aggregated statistics on compliance.

3rd Party Requests for NWD-IP Inspections

Inspections 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.

Definitions/Terminology

National Wool Declaration (NWD)

The AWEX 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 and On Farm Inspections.

Mulesing¹

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

Pain Relief

Pain relief products must be registered by, or supplied under permit from, the Australian Pesticides and Veterinary Medicines Authority for use with sheep. A "Yes" response must only be applied to the actual mobs of sheep that were mulesed using a recognised pain relief product.

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.

Inspector

The Inspector(s) are appointed by AWEX and are responsible for conducting the On Farm Inspection process and reporting their observations to the Owner/Manager and AWEX using the NWD Mulesing Status Inspection Report.

This report forms part of the evidence. The Inspectors will adhere to the procedures and definitions defined in this document.

1. Animal Health Australia, Sheep Welfare Standards and Guidelines

Eligible Declarations

A Declaration is deemed eligible for an NWD-IP Desktop Audit 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.

Evidence

Information to help form a conclusion(s) related to compliance is collected as part of the NWD-IP and may include: NWD Declarations, Woolclasser Specifications, Sale Catalogue data, Owner/Manager statements, physical observations (e.g. age, ear tags, sheep numbers), clinical Inspections and/or Inspector comments.

Non Compliance

Two levels of Non Compliance may be determined with the evidence, which may include:

Level 1 - Where No Action to be Taken:

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

Level 2 - Action to be Taken:

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



we know wool

Head Office
Ground Floor 318 Burns Bay Rd Lane Cove NSW 2066
Telephone: +61 2 9428 6100 Facsimile: +61 2 9420 9633
Visit: www.awex.com.au Email: info@awex.com.au

Postal Address
PO Box 649 Lane Cove NSW 1595