

Q1 / 2023-2024

Welcome to the AWEX Update

Momentum continues to build in AWEX services including WoolClip, the on-farm digital specification, and NWD capture platform, which combined with the continued rollout of eBale, will see increased efficiency, data accuracy and improved traceability capability of the Australian wool supply chain.

Mark Grave, CEO

Strategy 2023-2027

“Delivering services that strengthen, inform and increase confidence in the quality and integrity of Australian wool”

As adoption of AWEX services including WoolClip, eBale, NWD and SustainaWOOL continues to accelerate, we see the benefits of these programs complement AWEX’s role in building on the reputation of and trust in the Australian wool industry.



Industry support lifting WoolClip target

The uptake and acceptance of WoolClip continues to accelerate in 2023. Support from Brokers and Private Treaty Merchants has been essential in this improved result.

A strong driver of the interest in WoolClip is coming from growers and classers wanting to improve data capture on farm, including the use of eBale.

As eBale and ePacks become more visible throughout Australia it is expected that interest in WoolClip will grow further.

AWEX will continue its extension program for WoolClip & eBale into 2024.

- In 2022/23 a total of 159,279 bales were captured using WoolClip.
 - +81.8% increase on 2021/22,
 - ~8.6% of estimated wool production (WPFC),
- In the recent rolling 12-month period (Oct-Sept 2022/23) 194,389 bales were captured on WoolClip
 - +103.4% increase on the same period in 2021/22,
 - ~10.5% of estimated wool production (WPFC)



AWEX People News

Kathleen Allan joined AWEX in late August as Program Manager of the SustainaWOOL Integrity Scheme.

Kathleen brings a breadth of experience in integrity systems, and operational, technical and strategic management roles across the private and public sectors and as a wool grower.

Kathleen was previously with Integrity Services

Company (MLA) and prior to that Sheep Producers Australia, the Grains Research and Development Corporation, as well as the Commonwealth Department of Agriculture and Australian Pesticides and Veterinary Medicines Authority.

Kathleen is known within and across agricultural industries and will be an asset to the SustainaWOOL Integrity Scheme and AWEX.



Kate Farquhar joined AWEX in early September as Technical Projects and Integrity Manager, leading the NWD Integrity Program, and future technical initiatives for AWEX.

Kate has a background in program and product management, having worked as an Agricultural Product Specialist at Rural Affinity Insurance Underwriting Agency, and training in agricultural economics and animal production research.

Kate is replacing Dr Kerry Hansford, who will retire at the end of October after 16 years as

Technical Projects Manager. Kerry is well known in industry both here and overseas for her leadership and technical expertise across many AWEX services including the NWD, certification and most recently, eBale.

Kerry garnered respect and appreciation from all sectors of the industry for her understanding of wool production from the farm gate, her attention to detail and her relentless dedication to quality and integrity.

We thank Kerry for her valued contributions and wish her every happiness for the future.

WoolClip Support & Resources

To access the current “How To” resources for Classers and for Growers, as well as broker posters and media and how to guides, please click on the attached link;

<https://www.awex.com.au/woolclip/support-and-resources>

If you, your staff or your clients would like to receive training in WoolClip, contact John Cox to arrange a suitable time/date.

John Cox

WoolClip Program Lead

m 0468 533 529

p 02 9428 6100

e jcox@awex.com.au

e woolclip@awex.com.au

WoolClip support is available 7 days a week.

WoolClip Training & Extension Strategy to Continue



AWEX's investment in WoolClip extension and training continues to receive positive feedback from participants appreciating the support from AWEX WoolClip trainers and interaction with others during training groups. These popular sessions allow users to gain confidence using WoolClip and to be able to see firsthand how to create a WoolClip specification and incorporate eBale technology.

Workshops are structured to meet the level of all participants, from those with a high level of technology skills to first time users.

All Brokers and Classers are encouraged to contact AWEX to discuss attending a workshop in a location near them.

OCTOBER

16th Longreach QLD

18th St George QLD

19th Inglewood QLD

NOVEMBER

14th Avoca VIC

15th Ballarat VIC

16th Casterton VIC

Requests for 2024 WoolClip extension & training locations are now open.

Please contact woolclip@awex.com.au with details of your proposed location, number of attendees and preferred dates.

eBale/ePack Rollout & Supply Chain Readiness

eBale wool packs (ePacks) were first imported into Australia in March 2023 in limited supply. The ePacks are now readily available in all states and territories across Australia.

eBale technology is an important tool in traceability and as the volume of ePacks increases the importance of learning how to use the technology increases.

AWEX has facilitated meetings between software houses and their clients to encourage their software development to take advantage of the benefits of RFID with basic functionality and will continue to provide support to members who are implementing the technology.

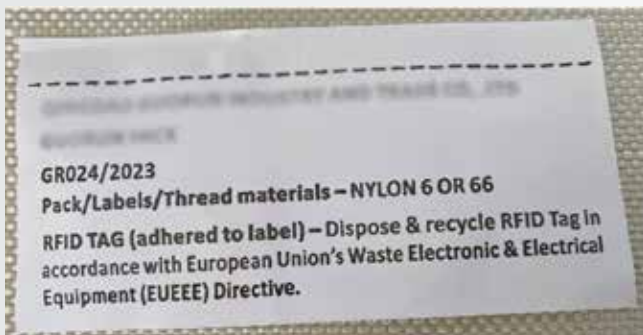
It is anticipated that many wool warehouses will have their software enabled to utilise eBale in early 2024.

After a lengthy and competitive performance review, HID Global were chosen as the eBale supplier. HID's association with AWEX, the eBale project and the wool industry goes back over a decade and their commitment to quality and their production processes of the RFID are based on the highest technical and quality standards. AWEX is confident in the partner chosen for the implementation of such an important program for the Australian wool industry.



eBale & WoolClip will deliver benefits via improved or enhanced:

- bale traceability and inventory management,
- information flow from farm to processor (including accurate identification and logistics management from farm to mill),
- identification of wool bales in the event of an Exotic Animal Disease outbreak,
- downstream (processing mill) logistic efficiencies, and
- reputation of the Australian wool industry for integrity and innovation



Both the nylon pack materials and the RFID tag are now being identified in line with EU requirements.

During a recent trip to China, Mark Grave (AWEX, CEO) met with wool pack manufacturers, along with the manufacturing plant of the AWEX eBale RFID tag manufacturer (HID Global).

At the pack manufacturers, it was confirmed suppliers are now using the appropriate EU Directive on the labels of materials being imported into Europe.

Wool Classing

Registration Rebound

The recent 'fee-free in 23' initiative provided by TAFEs has seen an increase in enrolments. For the period January-September 2023, 210 graduate wool classers have applied for registration. This is a positive initiative that will strengthen the classing workforce for years to come.

At the end of September 2023, there were 14,790 registered Wool Classers, with South Australia surpassing its 2019-21 tally of professional classers.

Quality Matters: Contamination

The Spring 2023 edition of "ePCS" included an article on contamination. End users (processors) continue to report concerning levels of non-wool items in wool bales. AWEX has recently sent contamination letters to 38 wool classers as a result of feedback from wool processors.

Code of Practice 2025-27

Work has commenced in preparation for the 2025-27 Wool Classing Code of Practice (COP).

Over 700 Wool Classers responded to an online survey over October, and submissions are now being sought from commercial sectors. Submissions will be reviewed with key issues identified. The technical review of the COP will commence in November.

60 Year Milestone

Forty-seven Wool Classers have recorded a significant and remarkable milestone of being registered for 60 years. Recognition Certificates have been issued.

The list of the 60-year and 50-year milestone classers can be found here: [60 Years 50 Years](#)



Registration Review Committee (RRC)

The RRC met in August to consider the preparation performance of two wool classers. The outcome of this meeting was to recommend to the AWEX Board to suspend registration of one classer and place strict requirements on another. These were approved by the Board. The outcomes of the RRC review can be found here [Members Update Wool Classer Registration](#)

The RRC is scheduled to meet in November, prior to the next AWEX Board Meeting. This committee considers cases where wool classers have breached registration rules (e.g., lending stencils, not present in the shed), or have repeated or significant clip preparation events. The RRC makes recommendations to AWEX on possible courses of action.

Wool Operations

Auctions

Integrity Matters: Did you know?

As part of AWEX's integrity checks, weekly sale audits are conducted on every sale lot for:

- Wool type (AWEX-ID) (on every lot)
- Clip preparation (on classed and unclassed lots)
- Registration status of wool classers (classed lots)
- SustainaWOOL eligibility (on declared and undeclared lots)
- Mulesing Status (on randomly selected clips)



Re-catalogued Lots

Due to increased quantities of lots being catalogued and then Withdrawn prior to Sale, AWEX now carries forward its appraisal audit assessments on re-catalogued lots.

Previously only lots that had been previously offered (i.e. Passed In or No Bid) were carried forward.

Table 1: Season 2023/24: Weeks 1-14

Centre	Re-catalogued Lots (prev. WD)	Re-Offered Lots (prev. PI/NB)
Sydney	523 1.8%	2,567 8.9%
Melbourne	1,553 4.0%	3,252 8.3%
Fremantle	838 7.7%	1,371 12.6%

Images

AWEX auditors now have the facility, using their handheld device, to take photographs of lots that are Non-Conforming (classed), contain contamination or other notable items. These images are used as evidence in providing background information for lots raised with selling agents or in dispute.

AWEX-ID

AWEX has released an update (V3.4) to its Type System. This has been circulated to registered AWEX-ID appraisers.

Sale Administration

Selling Arrangement publication

From Sales in Week 16, there will be a change in publication format of Selling Arrangements. A Summary Document (with broker advised totals) will be released after the last lot offered in the current week, with a detailed version (using transmitted totals) published after the last transmission for the week.

Four Week Forecast

In response to user feedback there have been several modifications to the Four Week Forecast since the Recess. This includes removal of some content (outer-most estimates by centre) and addition of other (Lot and bale totals by Wool Type Group per day in each centre).



For more information, please contact AWEX on (02) 9428 6100 or email dcother@awex.com.au

NWD V10.0 Finalised



The 2023 Review of the National Wool Declaration (NWD) was undertaken by an Industry Consultative Committee (ICC) comprising the following associations: ACWEP, IWBA, NCWSBA, PTWMA & WPA.

As the NWD V9.3 had only recently been implemented (25 July 2022), the ICC agreed to maintain the status quo and to only make constructive amendments or improvements, if required. No major changes were proposed, with the AWEX Board accepting the ICC's recommendations.

The key changes to the NWD V10.0 were:

- a. The definition of NM be changed from “No sheep in this mob have been mulesed or treated with liquid nitrogen” to “Sheep in this mob have not been mulesed or treated with liquid nitrogen.
- b. The retention of LN in the NWD, using the current definition, and
- c. The current definition (NWD V10.0) of CM be retained with the addition that eligibility for CM is defined within the NWD Definitions/Supporting Explanations viz.

Ceased Mulesing (CM)	<p>No lambs born on this property in the last 12 months have been mulesed[^].</p> <p>No mulesed[^] (or AA) ewes or wethers have been purchased in the last 12 months.</p> <p>Note: For a property to be eligible for CM status, the answer to both CM property questions must be No.</p>
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NWD V10.0 Documentation

AWEX has published NWD V10.0 Brochures, FAQs, Business Rules and NWD templates at <https://www.awex.com.au/standards/national-wool-declaration-nwd> The templates are a standardised landscape and portrait Classer's Specification including the NWD, as well as a single page NWD, and a separate NWD to add to the bottom of a broker's current Specification. AWEX is now highlighting (in Red) the necessary information to complete the NWD correctly. A broker's company logo can be added to the preferred format - please contact AWEX to facilitate this.

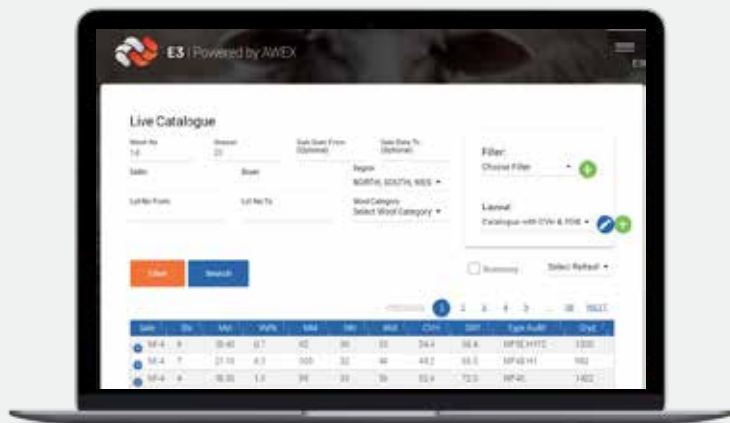
The NWD V10.0 will come into effect on 1 July 2024. As there are no business logic changes, selling agents are encouraged to adopt NWD V10.0 as soon as they next print shearing stationery. The small changes to WoolClip will be released in October 2023.

Note: Industry stakeholders must not change any wording or definitions in the NWD V10.0 to ensure consistency and provide clarity to our customers enabling informed purchasing decisions.

For further information please contact Mark Grave, AWEX CEO E: mgrave@awex.com.au **P:** 02 9428 6100

Market Reporting

Unlocking Insights with AWEX E3 Viewer



AWEX's E3 viewer is a customisable catalogue viewer, allowing users to choose fields they want to see, store custom types/recipes and view lots that meet their criteria.

Buyers are using the functionality to assess current-week sales for suitable selections and implement buying strategies.

Brokers can search the AWEX database and give grower-clients price estimates for a wide range of wool types, including those that are less common.

We are currently rolling out new features for buyers and brokers that leverage the E3 database.

For brokers who utilise AWEX as a selling service, withdrawn lots will be able to entered directly into the system. Buyers will be able to see the withdrawn lots in real time and, along with brokers, are able to view lots in the sale.

Contact AWEX Market Information on (02) 9428 6130 or subscriptions@awex.com.au for a demonstration.

AWEX Micron Price Guides (c/kg clean)

	NORTH (Sydney)		SOUTH (Melbourne)		WEST (Fremantle)		EAST AVE. (Weighted by bales)	
Ind.	1174	+5	1114	-3	1263	0		
16.5	1840n	+2	1853	-22			1843	
17	1703	-19	1698	-29			1701	
17.5	1578	-22	1610	-18			1596	
18	1494	0	1517	-18	1489n	-11	1505	
18.5	1424	-26	1429	-25	1427n	-10	1427	
19	1388	-7	1398	-4	1392	-6	1394	
19.5	1351	0	1359	-2	1342	-1	1355	
20	1311n	+17	1319	0	1305	0	1316	
20.5			1296n	+19	1290n	+19	1296	
21								
22								
23								
24								
25								
26	611n	0					631	
28	408n	+18	402	+14			404	
30			382	+10			382	
32			312	+4			312	
MC	709n	0	701	0	725n	+6		

AWEX Micron Price Guides

AWEX has been actively involved with the Price Risk Management Working Group whose goal is to improve participation in the forward markets.

As recommended by the Working Group, the AWEX Micron Price Guides now includes an Eastern Average column (weighted by bales).

Settlement on forward contracts will move to this Eastern Average once approved by ASIC.

A new contract settled on the AWEX-Eastern Market Indicator is also being progressed with ASIC.



Australian Government Traceability Grant

In 2021, AWEX was awarded an Australian Government grant from the Traceability Grants Program Round 2 for a project entitled “Implementing a supply chain traceability system for the Australian wool industry.”

The main objective of the project was to improve information flow, logistics efficiencies, provenance, biosecurity, animal welfare & sustainability, adding value & improving the industry’s competitive edge.

The Grant assisted AWEX to progress work in its eBale project, particularly as it related to identifying risks for the

project and developing strategies to mitigate these risks. The funding, which provided approx. \$60,000 per annum over 3 years, is ending with a mid-Phase check-in report due in November 2023 and a final Milestone report in March 2024.

Of significance is that for the last Milestone report in April 2023, Mark Grave (AWEX CEO) and Dr Kerry Hansford (Technical Projects Manager) presented to approximately 20 staff from the Department of Agriculture, Water & Environment (now called Department of Agriculture, Fisheries and Forestry (DAFF)) based on the eBale’s success to date.

For the benefit of their other Funded Projects, DAFF staff sought information on the methods AWEX used identify suitable RFID technologies and to progress the project on a whole of industry basis.

Wool Packs - Repaired

AWEX maintains standards for the manufacture of new wool packs and repaired (used) wool packs. The repaired wool pack standard was developed with and on behalf of industry and implemented with the introduction of the nylon pack in 2000. The standard was created to ensure that all packs were repaired to an acceptable standard for safety, protection of the wool contents and to survive the rigour of the wool supply chain.

Please note that AWEX **does not currently** have any registered wool pack repairers:

- Purchase, use and the performance of a repaired wool pack is at the purchaser’s risk, this includes failure of the pack on farm and through transport and/or logistic channels,
- Repaired packs cannot be verified to have been repaired to any quality or industry standard,
- Repaired packs do not participate in the roll out of eBale.

- Approved AWEX repaired packs all carry a new AWEX eBale bale label.

A list of all registered/approved wool pack manufacturers and importers can be found here: <https://www.awex.com.au/standards/wool-packs/>



AWEX Key Dates 2023

- **AWEX National Classer Trainers Workshop** October 12-13
- **Sheep Sustainability Framework Consultative Committee Forum** October 17
- **Australian Agricultural Traceability Strategic Reference Group** November 2
- **AWEX AGM** November 17