

DECLARING WHAT THE WORLD'S DEMANDING



The National Wool Declaration (NWD) assists buyers & their clients to access credible information on issues that can influence purchasing decisions but cannot be objectively measured; that is, Mulesing Status (MS) & Dark & Medullated Fibre Risk (DMFR). The NWD is a voluntary Declaration. It enables wool growers to communicate directly with the prospective buyers & users of their wool, viz. processors, manufacturers & retailers.

The NWD continues to evolve in response to the development of new technologies & feedback from the wool pipeline. This brochure refers to **NWD V10.0**, which is effective from 1st July 2024.

The NWD Integrity Program (NWD-IP) comprises an extensive program of Desktop Audits/Verifications & On Farm Inspections designed to build supply chain & consumer trust in Australian wool. Non Compliant Declarations can seriously reduce the credibility of the program & confidence in the Australian wool industry.

1. 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 & signing the Declaration, the Owner/Manager agrees to participate in the NWD-IP, viz. Desktop Audits/Verifications & On Farm Inspections for Mob & Property MS.

NWD Mob Declarations

Individual mobs may be declared as one of the following:

Non Mulesed (NM) – Sheep in this mob have not been mulesed[^] or treated with Liquid Nitrogen[#].

Liquid Nitrogen (LN) – Sheep in this mob have been treated with Liquid Nitrogen[#].

Analgesic &/or Anaesthetic (AA) – Sheep in this mob have been mulesed[^] & treated with an analgesic &/or anaesthetic product registered by APVMA.

Mulesed (M) – Sheep in this mob have been mulesed[^] without the use of a registered analgesic &/or anaesthetic product.

[^]**Mulesing** – The removal of skin from the breech &/or tail of a sheep using mulesing shears.

Source: Australian Animal Welfare Standards & Guidelines for Sheep prepared by Animal Health Australia, V1.0 2016.

[#]**Liquid Nitrogen** – The application of Liquid Nitrogen where ultra-low temperatures are used to degenerate tissue & result in the removal of skin from the breech &/or tail of a sheep.

Mobs of Mixed Status

For mobs of mixed status, use the lowest applicable status according to this hierarchy: **NM > LN > AA > M > ND**.

Example 1: if a mob contains LN & AA sheep, moving left to right along the hierarchy, the lowest MS applies, i.e. AA.

Example 2, if a mob contains NM, AA & M sheep, moving left to right along the hierarchy, the lowest MS applies, i.e. M.

NWD Property Declaration – Ceased Mulesing (CM)

- No lambs~ born on this property+ in the last 12 months have been mulesed, &
- No mulesed (or mulesed with AA) ewes or wethers have been purchased in the last 12 months.

~At the time of shearing, lambs must be marked but not mulesed. LN is not mulesing.

+An agistment property is treated as the home property.

Note: For a property to be eligible for CM status, the answer to both CM property questions must be 'No'.

2. NWD-INTEGRITY PROGRAM (NWD-IP)

Declarations of NM, LN, AA or CM are all eligible to be randomly selected for an NWD-IP Desktop Audit, Verification or On Farm Inspection, as per the following:

Desktop Audit – Validate that the correct MS is published ~1,500 Declarations p/a.

Desktop Verification of LN or AA – Validate mobs declared as LN or AA ~400 Verifications p/a.

Note, alternatively, LN may be validated through an On Farm Inspection/Verification.

On Farm Inspection – Validate mobs declared as NM (or LN), or properties declared as CM ~225 Inspections p/a.

MS Certificate (see also 3. below)

MS Certificates are undertaken on behalf of the buyers and users of Australian wool (at their cost), to verify that the MS of sale lots in a processing consignment are correct.

Extension & Education

The NWD-IP includes on-going extension & education aimed at improving wool grower, broker, buyer, processor & retailer awareness & understanding of the NWD.

Key Objectives of the NWD-IP

1. To establish the accuracy & compliance of the NWD with respect to Declarations of NM, LN, AA &/or CM,
2. To provide an independent monitoring & reporting service to the wool industry pipeline, &
3. In the event of Non Compliance, implement corrective actions to prevent recurrence.

Successive Audits, Verifications or Inspections

A Brand/PIC is eligible for another Desktop Audit, Desktop Verification or On Farm Inspection in successive shearings/years for any Declaration, regardless of the outcome of any previous Audits, Verifications or Inspections.

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 is informed & their permission to undertake the Inspection sought.

Publication of NWD-IP Results

Only the Owner/Manager will receive a copy of the NWD-IP Desktop Verification or On Farm Inspection Report. AWEX will only report aggregated statistics on Compliance to industry; however, if an appeal process proceeds, some aspects may be made public.

In the case of Non Compliance, the brokers(s) and buyer(s) of the wool will be informed.

3. DESKTOP AUDIT OF NM, LN, AA OR CM

Copies of randomly selected NWD/Wool Classer's Specifications are requested from wool selling brokers or private treaty merchants pre-sale. These are checked against the published MS - this is the Desktop Audit. Any errors detected in this process are corrected, with the brokers, buyers & AWTA notified prior to sale.

A MS Certificate is verified using the NWD-IP database as well as additional copies of NWD/Wool Classer's Specifications requested post-sale from brokers or private treaty merchants. The buyer requesting the MS Certificate is advised of any errors detected in this post-sale process, where the buyer may choose not to replace the incorrect lot(s), or they may replace them with new lots, which are verified prior to inclusion.

4. VERIFICATION OF AA MOB(S)

From Brands randomly selected for a Desk Audit, where AA is declared, evidence of the use of AA at mulesing 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:

AA purchased from Vet or Supply Company

Tax Invoice for the purchase of the AA product(s), including the amount of product purchased & the number of lambs treated.

AA supplied by Mulesing Contractor

Tax Invoice for contract mulesing citing the use of the AA, including the type & amount used & the number of lambs treated.

AA supplied by Other Source

Tax Invoice or a Statutory Declaration citing the use of AA sourced from, for example, a neighbour or relative, including the type & amount used & the number of lambs treated.

AA evidence sourced from Vendor

Where sheep have been purchased, either a Tax Invoice, a Statutory Declaration, or an Animal Health Statement citing the use of AA from the Vendor, including the type & amount used & the number of lambs treated.

Sheep purchased from a Victorian Vendor

Where sheep were born on a Victorian property (since 2019), a National Vendor Declaration (NVD) for the relevant mob of sheep (if) purchased can be provided, alongside the purchase invoice for these sheep where appropriate. This is in consideration of the POCTA regulation in Victoria, which requires pain relief to be applied when mulesing.

VERIFICATION OF LN MOB(S)

From Brands randomly selected for a Desk Audit, where LN is declared, evidence of the treatment 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:

LN supplied by Treatment Provider

Tax Invoice for the treatment of a mob(s) with LN, including the number of lambs treated.

LN evidence sourced from Vendor

Where sheep have been purchased, either a Tax Invoice, a Statutory Declaration, or an Animal Health Statement citing the treatment of a mob(s) with LN from the Vendor, including the number of lambs treated.

5. OUTCOMES FOR LN OR AA VERIFICATIONS

Compliant

- Evidence of the use of AA provided for the youngest declared mob, or the most recent purchase or sourcing of AA, or
- Evidence of the treatment with LN for the youngest declared mob.
- For purchased mobs, evidence of AA or LN from the vendor.

Non Compliance

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

Non Compliance Level 1

- A misunderstanding of MS.
- Incorrect completion of NWD.

Note 1: Subsequent Declarations for the Brand/PIC will be checked prior to sale & may be accepted or invalidated. Property/mob(s) to be verified again.

Non Compliance Level 2

- A deliberate false Declaration.
- Failing to respond to a Verification (after a fair & reasonable attempt has been made to facilitate

it, e.g. using reminders).

- Incomplete verification due to written or verbal threats made against AWEX.

Note 1: No future Declarations will be accepted for the Brand/PIC until a Verification is undertaken & is Compliant. Declarations will be invalidated prior to sale.

6. ON FARM INSPECTION OF LA OR LN MOB(S)

In some circumstances (e.g. if a property has declared CM status), LN mob(s) may undergo an On Farm Inspection using similar processes described below for NM mob(s). However, in addition to the Inspection, evidence of the treatment of a mob(s) with LN from the provider (or vendor) must be supplied.

7. ON FARM INSPECTION OF NM MOB(S)

Initial Contact

The Owner/Manager of a property to be inspected will be contacted by the AWEX Inspector, who will discuss the Inspection & arrange the timing for it, usually within 1 - 2 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 & this NWD-IP brochure will be sent to the Owner/Manager.

Where NM Declared Sheep have been Sold

If the mob of NM sheep has been sold, proof of sale (e.g. National Vendor Declaration, Account Sale, or a written advice from the Owner/Manager) must be provided to the Inspector or to AWEX. AWEX will determine if the Brand/PIC is Compliant or not.

If there are no NM sheep remaining on the property, this process will be finalised by telephone &/or letter.

Where NM Declared Sheep are not NM

If some, or all, of a mob of sheep declared as NM is actually LN, AA or M, or the property is not eligible for CM status, the Inspector will seek an explanation surrounding the incorrect Declaration. Further information may be necessary to form a conclusion regarding Compliance, this will be arranged by letter.

Failure to Submit to an Inspection

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

No future Declarations will be accepted for that Brand/PIC until an inspection is undertaken & the status verified, & any Declaration of NM, LN, AA or CM will be invalidated prior to sale.

Notice to Brokers & Buyers

The broker(s) & buyer(s) of the wool will be advised of any change in MS.

8. ON FARM INSPECTION PROCESSES

Secondary Contact

The Inspector will contact the Owner/Manager to confirm the Inspection date/time & answer any queries. This usually occurs a few days before the Inspection.

Safety of Inspectors

The health and safety of AWEX inspectors is of the highest priority to AWEX. AWEX expects all Work, Health & Safety risks to be mitigated. It is the responsibility of the Owner/Manager to ensure the work environment is safe.

AWEX has zero tolerance for any poor behaviours against an Inspector. If any person on the property makes physical &/or verbal threats against an Inspector, the Inspector may choose to leave the property. This is regardless of the progress made during the inspection.

Where an Inspector leaves an Inspection, the incident will be reported to and investigated by AWEX management, with any action(s) based on the findings.

Owner Statement

Prior to the Inspection, the Owner/Manager is to sign an NWD Inspection Report where it is affirmed that:

- The sheep/mob(s) presented are those declared, or are representative of those declared, on the NWD/Wool Classer's Specification, &
- A copy of the AWEX Safe Operating Procedures (SOP) – COVID-19 has been received, & that these SOP will be adhered to.

Presentation & Number of Mobs

The Owner/Manager will present sheep from nominated declared mob(s) in a set of yards with a race.

If the original NM mob has been combined with other sheep & presented as a mixed mob, the NM sheep must be clearly identifiable (e.g. by ear tag or ear mark).

Number of Sheep to be Inspected

Based on a statistical methodology, the Inspection protocol requires that a minimum of 200 sheep per mob are inspected, or the entire mob if it is less than 200 head. The Inspector will randomly draft sheep from each mob into the race to be examined.

Sheep Inspection

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

Reporting

The NWD-IP Inspection Findings will be completed by the Inspector & will include a description of the mob(s), any observations including scarring patterns, & information provided to the Inspector during the Inspection.

The exact nature of any Non Compliance will be documented. This will include the number of sheep observed of each status, the age & ear tag/ear mark of the sheep of each status, a description of scar pattern(s), if any, when mulesing ceased etc. Photographs may be taken, if necessary.

This information is detailed in a formal NWD-IP On Farm Inspection Report (that confers Compliance, Conditional 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 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), & this will be recorded by the Inspector. The Owner/Manager may then submit subsequent Declarations.

- Subsequent NWDs will be automatically selected for a Desktop Audit & the information compared to previous NWDs & Inspection Reports to determine if additional information is required from the Owner/Manager. The Declaration may then be accepted or invalidated prior to sale, and mob(s) may be inspected again.

Owner Disagrees with Inspector's Findings

- If the Owner/Manager disagrees with the Inspector regarding Non Compliance & the matter cannot be resolved to the satisfaction of AWEX, future NWD Declarations for that Brand/PIC will not be accepted or will be invalidated prior to sale.
- A 2nd 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 2nd Inspection provides the same result as the first Inspection, no future Declarations will be accepted for that Brand/PIC & they will be invalidated prior to sale. *Note*, other mob(s) may be inspected to confer Compliance to them.

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

9. ON FARM INSPECTION OF CM PROPERTY

The procedures for an On Farm Inspection for CM are the same as those applied to NM, with the exception that the selected mob(s) relate to proving the CM Status of the property. These mobs are described below:

CM Declaration (Sheep born on Property)

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 NM or LN sheep that have been born on the property in the previous 12 months.

If the youngest NM or LN mob has been combined with other M or AA sheep (e.g. another drop) & are presented as a mixed mob, the NM or LN sheep must be clearly identifiable (e.g. by ear tag or ear mark).

CM Declaration (Sheep brought onto Property)

If mulesing is not undertaken on the property but NM or LN sheep have been purchased in the last 12 months, 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 of these purchased sheep.

10. OUTCOMES FOR NM/CM INSPECTIONS

Compliant

- The inspected mob(s) contains no M or AA sheep, or less than 1% of incorrectly declared sheep in the declared mob (with an adequate explanation for their presence).

Conditional Compliance

- A misunderstanding of MS or incorrect completion of NWD.
- Conditional Compliance is applied to properties where mulesing has ceased. The error usually occurs where $\leq 5\%$ of older sheep AA or M sheep are identified in an NM or LN mob.

Note 1: Where CM is declared, lambs born in the last 12 months & ewes & wethers purchased in the last 12 months must be NM or LN.

Note 2: Subsequent Declarations will be checked prior to sale & may be accepted or invalidated. Property/mob(s) to be inspected again.

Non Compliance

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

Non Compliance Level 1

- A misunderstanding of MS.
- Incorrect completion of NWD.
- A drop (age group) of incorrectly declared sheep in the declared mob (with an adequate explanation for their presence).

Note 1: Where CM is declared, lambs born in the last 12 months & ewes & wethers purchased in the last 12 months must be NM or LN.

Note 2: Subsequent Declarations will be checked prior to sale & may be accepted or invalidated. Property/mob(s) to be inspected again.

Non Compliance 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 (after a fair & reasonable attempt has been made to arrange it).

Note 1: No future Declarations will be accepted for the Brand/PIC until an Inspection is undertaken & is Compliant. Declarations will be invalidated prior to sale.

11. ACTION BY BUYERS & THEIR CLIENTS

If a Declaration (regardless of MS) is found to be Non Compliant, the buyer(s) & the broker(s) of the incorrectly declared wool are informed & advised of the correct status. They & their wool processing clients will consider their response.

12. FOR MORE INFORMATION CONTACT

Kate Farquhar, p. 02 9428 6100

e. integrityservices@awex.com.au

Katyana Armen, p. 02 9428 6100

e. karmen@awex.com.au

