

Q2 / 2023-2024

## Welcome to the AWEX Update

### Sustainability, Integrity, Traceability.

These three priority areas for the Australian wool industry remain at the core of AWEX's services and innovations. With the continued acceleration of WoolClip to best unlock the potential of eBale, as well as an exciting relaunch of the SustainaWOOL Integrity Scheme, the second half of the 2023/24 season will see the reputation of and trust in the Australian wool industry continue to strengthen.

**Mark Grave, CEO**

## Strategy 2023-2027

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

The 2024 calendar year will see traceability, integrity and sustainability continue to strengthen for the Australian wool industry, as uptake continues to grow in AWEX's key services and innovations such as WoolClip, eBale and the SustainaWOOL Integrity Scheme.

## AWEX People News



We welcome Mr Geoffrey Beath OAM as a Director on the AWEX Board.

Mr Beath has replaced Mr Gary Turner as the appointed AWEX Director elected by Private Treaty Merchant Members.

Geoffrey is the owner/manager of Bryton Wool.



In November 2023, Mr Gary Turner retired from the AWEX Board following 6 years of service.

We thank Gary for his many contributions and committed support in aiding AWEX to deliver against its strategy.





## WoolClip Success Continues

**The uptake and acceptance of WoolClip continued to accelerate in 2023.**

Support from Brokers and Private Treaty Merchants was 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 (Jan-Dec 2023) 225,052 bales were captured on WoolClip
  - +97.2% increase on the same period in 2022,
  - ~12.3% of estimated wool production (WPFC)

## WoolClip Training & Events

**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.

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

### JANUARY

- 12 New England Field Day
- 30 Cooma NSW
- 31 Albury NSW

### FEBRUARY

- 1 Deniliquin NSW
- 2 Hay NSW
- 3 Wagga NSW
- 10 Katanning WA
- 12 Esperance WA
- 13 Albany WA
- 14 Boyup Brook WA

### MARCH

- 9 Longreach QLD

## 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 go to;

<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](mailto:jcox@awex.com.au)

e [woolclip@awex.com.au](mailto:woolclip@awex.com.au)

WoolClip support is available 7 days a week.



**Are you interested in becoming an accredited WoolClip specialist for your business?**  
Please contact [woolclip@awex.com.au](mailto:woolclip@awex.com.au) for more information on training options available.

# Traceability Simplified with WoolClip + eBale



## eBale wool packs (ePacks) are now readily available in all states and territories across Australia.

With each wool pack now having a unique number, accessed via its QR code or by scanning its RFID tag, eBales are a powerful traceability tool that can start on-farm.

AWEX's WoolClip platform, which digitally captures the Wool Classer's Specification and online NWD declarations, can also capture an eBale's unique ID, by simply scanning the eBale's QR code on-farm in WoolClip.

Doing this in WoolClip is a simple way for growers and Classers to unlock the full potential of eBales including:

- ✓ No duplicate Bale numbers, ever.
- ✓ Avoiding delays, share wool clip details with your chosen marketing organisation instantly.
- ✓ Trusted traceability linked to a unique Bale ID:
  - Online wool specifications
  - Online NWD declarations
  - Capture accurate farm information, including PIC
  - Synergies with digital logistics and warehousing
- ✓ Identification of wool bales in the event of an Exotic Animal Disease outbreak.

# SustainaWOOL™

INTEGRITY SCHEME

## Season 2022/23 Highlights

The uptake and acceptance of WoolClip continued to accelerate in 2023. Some of last season's SustainaWOOL highlights include:

- 19.12M SustainaWOOL greasy kgs sold
- Weekly catalogue compliance monitoring and auditing to ensure sale lots are correctly listed for buyers interested in sustainability.
- SustainaWOOL auction lots accounted for 9.3% of all merino lots offered with lower passed-in rates as well as higher prices paid compared to equivalent fleece wool.
- Completion of more than 100 on-farm inspections to underpin the integrity of the program.

### Price premiums for SustainaWOOL lots Season 2022/23

Qualifier	16.0	17.0	18.0	19.0	20.0	21.0	22.0
SW Green (NM/CM)	12.1%	7.5%	4.6%	3.2%	0.4%	6.0%	
Others (NM/CM)	2.0%	1.7%	1.3%	0.7%	0.7%	-0.1%	1.5%
SW Blue (PR)	5.3%	2.9%	2.2%	1.2%	1.2%	0.8%	
Others PR	0.7%	-0.2%	0.4%	0.4%	0.4%	0.1%	0.7%

Summary of price premiums achieved across microns for the 2022/23 selling season.

SustainaWOOL (SW) lots continue to receive a price premium compared to non-SW lots of similar mulesing status.



## SustainaWOOL Integrity Scheme Relaunch 1 July 2024

**AWEX remains committed to providing an Australian industry led sustainability scheme for the betterment of its members and industry.**

Sustainability remains a priority for the wool industry and its customers, and is an area that continues to develop, with definitions, accepted metrics and associated legislations continuing to evolve and increasingly being linked to digital traceability.

Through AWEX's various services, both the on-farm data capture and traceability enabled through WoolClip and eBale, NWD Integrity Program declarations and audits, along with AWEX's commitment to quality clip preparation via use of a registered classer ('P' certificate) and sale lot audits, AWEX is uniquely placed to offer a credible, Australian industry-owned sustainability integrity scheme for all Australian wool growers, that assures our customers of the quality clip preparation and integrity of data they are increasingly demanding.

The relaunched SustainaWOOL Integrity Scheme will be Australia's Sustainable Wool Integrity Scheme, truly integrated with the Australian wool industry, and meeting the vast needs of the Australian landscape, backed by science and evidence.

With digital traceability from AWEX's WoolClip and eBale, and a continued focus on quality clip preparation, the global supply chain can have confidence in the integrity and quality of choosing Australia's sustainably grown wool.

**We will be sharing details about the SustainaWOOL Integrity Scheme relaunch in the coming months.**

# National Wool Declaration Statistics

The NWD Integrity Program is valued by the supply chain as Exporters require certificates of verification from AWEX in support of purchases for their customers.

AWEX receives NWD Mulesing Status verification requests on a weekly and daily basis.

As the 2023/24 season continues, the national declaration rate remains consistent at 74.2%, with premiums and discounts for mulesing status declarations remaining similar to last season. Trends in declaration rate across mulesing status and wool statistical area (WSA) of origin remain aligned to quarter 1.

Declaration rates (%) by Mulesing Status and State for Seasons 2022/23 & 2023/24 YTD

Season	2022	2023
National Decl. Rate	73.6	74.2
By Mulesing Status (%)		
NM	19.8	20.3
CM	3.2	2.9
LN	0.1	0.1
AA	41.2	42.6
M	9.2	8.4
ND	26.4	26.8
By State (%)		
NSW	77.1	77.7
QLD	86.0	81.0
SA	79.4	78.1
TAS	83.2	85.2
VIC	76.7	75.8
WA	54.2	57.4

NWD Declaration rates (%) and Mulesing Status by State for Season 2023/24 YTD

Mulesing Status	NSW	QLD	SA	TAS	VIC	WA	Total Bales
NM	25.4	38.6	11.3	51.8	19.2	6.7	142,404
CM	3.4	2.9	2.7	6.7	2.9	1.0	20,207
LN	0.0	0.1	0.0	0.0	0.4	0.1	760
AA	41.3	31.3	53.9	22.9	48.0	36.9	299,327
M	7.6	8.1	10.2	3.7	5.3	12.8	58,923
ND	22.3	19.0	21.9	14.8	24.2	42.6	181,336
Total Bales	2995,510	27,503	107,627	24,196	123,136	124,985	702,957
% Declared	77.7	81.0	78.1	85.2	75.8	57.4	74.2

State breakdowns identifies those states which continue to lead the way in declaration rates as well as those who have the most opportunity to improve.

Premiums and Discounts for mulesing status as at EOM December 2023

		MERINO						NON-MERINO				
		16	17	18	19	20	21	22	27	28	29	30
<b>NON MULESED (NM)</b>												
Season	2021	78	77	68	53	51	12		7	5	8	
	2022	25	36	15	17	19	6		0	-2	1	0
	2023	23	15	15	13	9			5	7	7	
<b>CEASED MULESING (CM)</b>												
Season	2021		61	40	31							
	2022		30	14	14	10	6					
	2023			12	5	7						
<b>MULESED with ANALGESIC and/or ANAESTHETIC (AA)</b>												
Season	2021		16	12	13	14	1	6	3	5	3	
	2022		19	5	9	6	4		0	0		
	2023			2	4	3				3	2	
<b>NOT DECLARED (ND)</b>												
Season	2021		-6	-5	-7	-10	-4		-7	-7	-10	-6
	2022	-39	-28	-24	-2	0	0		-4	-15	-13	
	2023			-14	-3	-2	-5					

## Not Declaring (ND) continues to attract discounts

At the end of the first half of the 2023/24 season we continue to see discounts for Non-Declared (ND) wool compared to wool declared as Mulesed (M).

# Wool Classing

## Wool Classer Registrations

In the period July to December 2023 AWEX registered 154 graduates as Wool Classers. As of December 2023 there are 14,876 registered Wool Classers in Australia.



## Wool Classer Registration Renewals 2025-27

2024 is an important year in the wool classing calendar. At the end 2024 all registered Wool Classers will be invited to renew their registration for the 2025-27 registration period.

**Now is a good time to make sure your contact details are correct and up to date to ensure you don't miss out on renewal information.**

## Wool Classing Code of Practice (COP) Review

The review of the 2022-24 Code of Practice has commenced in preparation for the 2025-27 triennium. The Working Group will meet in January and February and is expected to conclude its review by March.

The Working Group will also be asked to consider Clip Inspection scaling on Contamination and Bale Descriptions.

Thank you to the over 700 Wool Classers who responded to the Wool Classer Survey, and for the commercial sector submissions received. Any changes to the COP will be included in the next issue of the Wool Classing Code of Practice and all Classers will be notified of these changes (if any) with their registration packs.

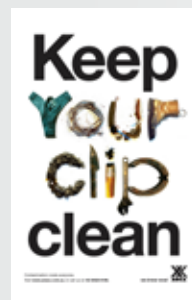


## Registration Review Committee (RRC)

The RRC met most recently in November 2023 and will meet again in late January. This committee considers wool classers with serious, significant, or repeated breaches of the Rules of Registration and/or the Preparation Standards. It also considers complaints. Recommendations from this Committee are to be referred to the AWEX Board at its February meeting.

## Quality Matters: Contamination

Recent wool classing concerns include reports from our customers of contamination from non-wool articles, in particular rubbish, twine, rope and clothing.



Classers can assist by remaining vigilant to all contamination and by highlighting to all staff and Wool Growers that contamination prevention is a shared responsibility.

In 2024, AWEX will relaunch the Keep Your Clip Clean campaign to help keep this important message top of mind.

**For Wool Classer enquiries, please contact** (02) 9428 6140 **or email** [woolclasser@awex.com.au](mailto:woolclasser@awex.com.au)

# Wool Operations

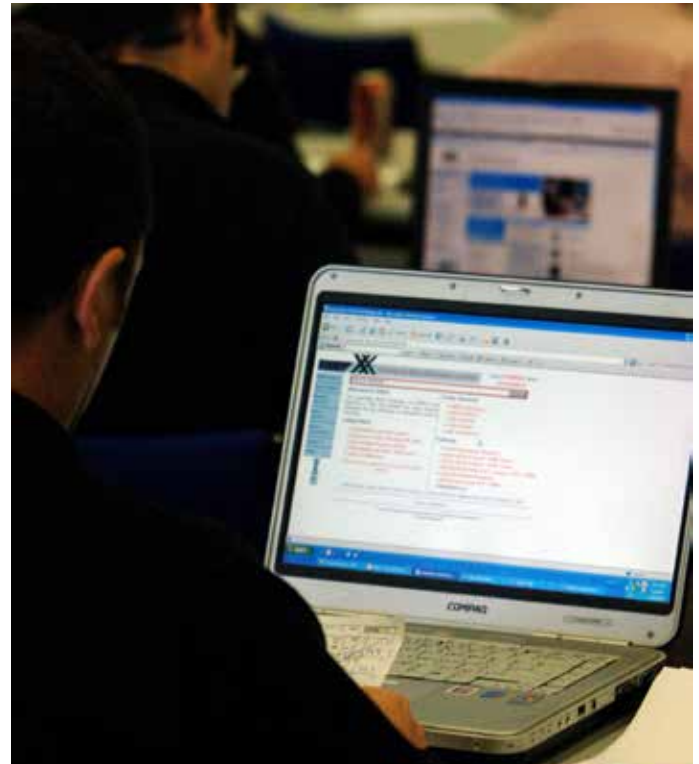
## Sale Administration

The AWEX Sale Administration Team thanks brokers for lodging figures and transmitting catalogues ahead of the deadlines. As many of the Sale Admin documents contain national content, a late submission by just one broker (in any region) will delay processing and release of documents in ALL regions.

## Unsubscribe

Brokers and Buyers who receive AWEX Sale Admin emails and SMS notices are reminded they can unsubscribe from individual documents at any time. Please email [saleadmin@awex.com.au](mailto:saleadmin@awex.com.au) with the details.

*Note: it is not possible to unsubscribe individual recipients if you received documents sent to a company email group (e.g. [office@woolco.com.au](mailto:office@woolco.com.au)).*



## 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)

## Key Dates

- Peter Westblade Scholarship Wyvern Weekend | February 9-11
- AWEX Board Meeting | February 23
- Sheep Sustainability Framework Consultative Committee Forum | March 13
- Sydney Royal Easter Show Auction | March 26-27
- National Graduate Woolclasser Competition (Sydney Royal Easter Show) | April 2
- IWTO Congress Adelaide | April 16-18
- AWEX Board Meeting | April 19

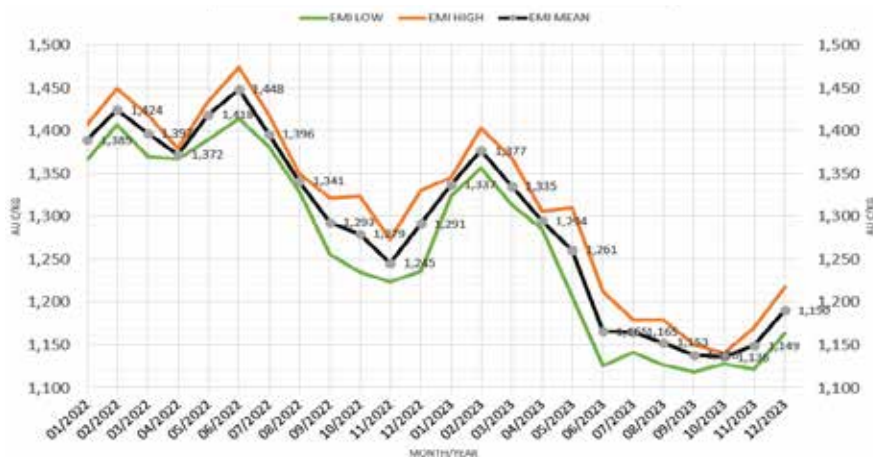


For Wool Operations enquiries, please contact (02) 9428 6100 or email [dcother@awex.com.au](mailto:dcother@awex.com.au)

# The Market

## Auction Activity - Price

AWEX EMI - Monthly Summary Last 2 Years



EMI movements in CY2022 and CY2023 showed similar trends in the context both years opened relatively well in the January-April period, fell away, and recovered some ground in December.

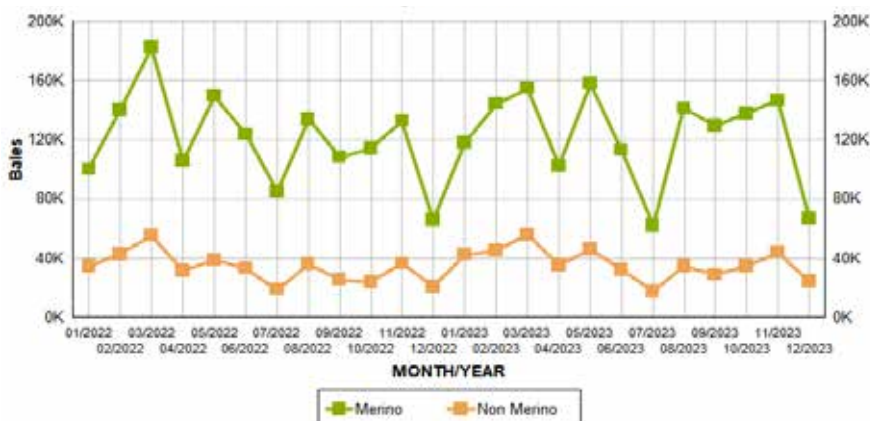
AWEX EMI - Yearly Summary



CY2023 closed with a yearly EMI average of 1237 (-123 on CY2022). Variation during the year of 7.5% was at the upper end of normal with the more variable years exceeding 10%.

## Auction Activity - Offering

Bales Offered by Month Last 2 Years



For Australian wool, CY2023 recorded increased quantities of Merino (+2.3%) and Non-Merino (+10.8%) compared to CY2022.