

6 October 2021

National Wool Declaration V9.0

Implementation

Previous Members' Updates announced the outcomes of the 2021 NWD review and information related to its implementation on 1 January 2022.

To provide the industry with the necessary information to facilitate the transition to NWD V9.0, the AWEX website has been updated and now contains the following documents:

- AWEX NWD V9.0 Release Notes and Business Rules Issue 2 – 23rd August 2021
- AWEX NWD V9.0 Declaring What the World's Demanding September 2021
- AWEX NWD V9.0 How to Complete the NWD Correctly September 2021
- AWEX NWD V9.0 Frequently Asked Questions September 2021 (attached)

In addition, the following formats of NWD V9.0 are available:

- Combined Classer's Specification and AWEX NWD V9.0 July 2021 - Landscape
- Combined Classer's Specification and AWEX NWD V9.0 July 2021 - Portrait
- AWEX NWD V9.0 July 2021 Separate

The NWD V9.0 documents can be found at awex.com.au/standards/national-wool-declaration-nwd/

Alternatively, use the following QR code to link to the site:



Reminder:

The approved changes to the NWD V9.0 are:

- Introduction of Liquid Nitrogen in two categories:
 - LA – use of liquid nitrogen with an APVMA approved Analgesic product, and
 - LN – use of liquid nitrogen without the use of an APVMA approved Analgesic product.
- Both questions related to Property Status (Ceased Mulesing) now have a 12-month time frame:

Property Status (Ceased Mulesing). Please answer the following questions (circle answers):

- | | |
|---|-----------|
| 1. Have any lambs born on this property <u>been mulesed</u> in the last 12 months? | Yes or No |
| 2. Have any mulesed (or AA) ewes/wethers <u>been purchased</u> in the last 12 months? | Yes or No |

The inclusion of a 12-month period for both questions was made to address concerns about misinterpretation raised by growers and sellers.

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FREQUENTLY ASKED QUESTIONS

NWD Integrity Program



NATIONAL WOOL DECLARATION (NWD) AND ITS INTEGRITY PROGRAM (NWD-IP)

1. What is the NWD?

The National Wool Declaration (NWD) was introduced in 2008 to inform the marketplace in response to inquiry from the buyers & users of Australian wool. The NWD is a voluntary Declaration made by the Owner/Manager about information that cannot be objectively measured, namely Mulesing Status (MS) & Dark & Medullated Fibre Risk (DMFR). The information from the NWD is transferrable along the pipeline & is used by buyers of Australian wool when making their purchasing decisions on behalf of their clients.

2. Where can I find the NWD?

NWD Version 9.0 is effective from 1 January 2022 & is available in different formats.

Contact your Broker, scan the QR Code (at right) or go to www.awex.com.au to download/print your copy of the NWD.



The NWD is also available as part of WoolClip (web or app). Go to www.woolclip.com.au or the App store.

The following brochures/documents are also available: Declaring What the World's Demanding, How to Complete the NWD Correctly & NWD V9.0 Release Notes & Business Rules.

3. Will my Broker have the NWD so I can make a Declaration?

Brokers may provide their clients with a Wool Classer's Specification complete with a NWD, or a separate NWD form to be used with any Classer's Specification. It is important that the current NWD V9.0 is used to ensure the declaration is valid.

4. Will there be any Changes to the NWD?

The NWD is reviewed regularly & this can result in changes to definitions, codes, instructions, or formatting. The next review will likely commence in 2023. These FAQs refer to NWD Version 9.0, for further information, see the links in Question 2, above.

5. Why do I have to Sign & Date the NWD?

The signature of the Owner/Manager is critical in having a valid, legal Declaration, as they are responsible for the information provided & know the history of each mob. Shearers, wool classers, brokers or other persons should not sign on behalf of the Owner/Manager.

6. NWD MS Declarations

The following are brief descriptions of each mob MS found in NWD V9.0:

- Non Mulesed[^] (NM),
- Liquid Nitrogen with Analgesia* (LA),
- Liquid Nitrogen without Analgesia (LN),
- Mulesed[^] with Analgesic &/or Anaesthetic* (AA),
- Mulesed[^] (M), &
- Not Declared (ND).

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

~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.

*Analgesic &/or Anaesthetic products must be registered by APVMA.

Ceased Mulesing (CM) status is applicable at a property level, and it requires that:

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

7. When will Mulesing be Banned?

At this time, the Australian & State governments along with wool industry bodies do not intend to ban Mulesing. However, some State Governments have mandated the use of AA at mulesing, and Owner/Managers must be able to verify its use.

8. Will the NWD become Compulsory?

While some organisations have requested for the NWD to be compulsory, the NWD is currently voluntary.

9. What is the NWD-IP?

The NWD-IP is the supporting integrity program that independently verifies the accuracy of MS Declarations. Based on random selection, approximately 1,500 Desktop Audits of all MS and 450 Verifications of LA, LN and AA are conducted annually. On Farm Inspections (~225 p/a) for NM (or LA/LN), or properties declared as CM, are conducted across all regions of Australia.

10. Who is Conducting & Who is Paying for the NWD-IP?

The Australian Wool Exchange (AWEX) is an independent, not-for-profit integrity services company, which develops standards, compliance programs (including the NWD-IP) & information systems on behalf of the Australian wool industry. The Inspections are paid for by AWEX. Buyers or processors may contract AWEX to conduct Verifications/Inspections on a fee-for-service basis.

11. Will the NWD-IP Continue & will it Change?

The NWD-IP is an on-going program. The NWD-IP changes in response to the requirements of industry. Changes are made based on regular reviews conducted by AWEX in consultation with all industry stakeholders, see Question 4. above.

12. Why inspect properties for NM/CM or verify LA, LN or AA?

The NWD-IP is a critical factor in buyers, processors, manufacturers & retailers having confidence in the Declaration. The Integrity Program supports the NWD by ensuring that buyers can rely on the accuracy of the Declarations made.

13. Will I be Inspected/Verified again?

Even if an Inspection/Verification was Compliant, it is possible that you will be inspected/verified in subsequent years.

14. Who else has been Inspected?

The list of properties to be inspected & the result for each inspection is confidential. The Inspectors will not report on the outcomes of any Inspection to other Owner/Managers, Wool Classers, brokers, relatives, neighbours, etc.

15. What are the Results of the Inspections/Verifications so far?

The outcomes of the Inspections are confidential & specific cases will not be publicised. To prevent the results of the Inspections being taken out of context, industry statistics on Compliance are only reported when sufficient Inspections have been conducted.

GENERAL ENQUIRIES

16. Are the Buyers of Australian wool Interested in the NWD?

The introduction of the NWD has allowed Australia to declare information that can influence buyers, processors, manufacturers & retailers purchasing decisions. Following its inception, there has been increased interest from the wool pipeline in the NWD as well as the outcomes of MS Verifications & Inspections.

17. What other Information do the Buyers/Processors of Australian wool Request?

It is the responsibility of the processor of the wool to seek documentation related to the MS of wool they have purchased. Buyers may request a copy of the NWD for wool they have purchased for a processor.

In addition, buyers are now requesting MS Certificates from AWEX to provide certainty to their customers on the MS of declared wool. AWEX produces a MS Certificate by checking the sale lots in a consignment against the results of On Farm Inspections &/or Verifications as well as sale results and NWDs/Classer's Specifications applicable to lot(s). If a sale lot is found to be Non Compliant, the buyer may remove that lot from the consignment & may take legal recourse or submit a claim through the broker to the Owner.

18. Is there a Price Advantage for wool from Non Mulesed sheep?

The volume of NM wool is increasing & noticeably between & within sale price fluctuations indicate price signals in favour of NM declared wool. Over the past few years, price premiums of 40 – 100 c/kg clean have been detected.

19. Can I go back to Mulesing?

The welfare of the Australian sheep population is paramount; therefore, Owners/Managers must ensure that all precautions are taken to protect their animals. If changed environmental/seasonal conditions result in higher than expected levels of fly-strike, then it is the responsibility of the Owner/Manager to implement appropriate flystrike prevention &/or treatment. This may include a return to Mulesing for lambs/weaners; with the use of Analgesic &/or Anaesthetic product(s) strongly recommended. The Australian Animal Welfare Standards & Guidelines for Sheep must be adhered to (see www.animalwelfarestandards.net.au/sheep/).

20. Is there a Source of Up-To-Date Information on all aspects of Flystrike?

The State Departments of Agriculture or Primary Industries as well as other industry organisations (e.g. Sheep CRC, CSIRO, Australian Wool Innovation & Meat & Livestock Australia) will have information on their websites. The web-site: www.flyboss.org.au has a wide range of information on this topic.

ON FARM INSPECTION PROCESSES

21. *Who are the AWEX Inspectors?*

The AWEX Inspectors are regionally based & all have an agricultural background with a strong emphasis on sheep & wool production. They understand farm management practices as well as the various issues that can impact on whether an Inspection may or may not be possible.

22. *When is the Initial Contact made with the Owner/Manager?*

The Inspector will telephone an Owner/Manager a few weeks before a visit, which will allow the Inspector & the Owner/Manager to arrange a suitable date & time. Occasionally, a phone call may be made at short notice; this may happen when a property is in an area where several Inspections are being carried out, or an inspection has been postponed.

Once the arrangements are in place, the Owner/Manager will receive a letter (by email, if available) from AWEX that details the Inspection & provides a copy of the relevant NWD/Classer's Specification & a brochure explaining the NWD-IP.

23. *What Issues are discussed during this Initial Phone Ccall?*

The Inspector will give the background to the NWD-IP & the timeframe to conduct the Inspection. The mob(s) that could be inspected are discussed to see if they are available. For example, Inspections will be scheduled to avoid inspecting ewes during late pregnancy or at lambing, or if the yards are too muddy.

24. *What happens if Circumstances prevent an Immediate Inspection?*

If an Inspection cannot be arranged for a planned Inspection Run, the Inspector will record this & will plan to undertake the Inspection at a later date.

25. *What happens if the Sheep have been Sold?*

In these circumstances, the Inspector will ask for proof of the sale of these sheep (i.e. National Vendor Declaration or Account Sale). This evidence must be sent to AWEX by post, fax or email.

WHAT HAPPENS DURING AN ON FARM INSPECTION?

26. *Why is a Signature required at the Commencement of an Inspection?*

All audit processes require checks & balances to ensure that the data collected is true & correct and the safety of all parties. The signature signifies to the Inspector that the Owner/Manager is willing to go through the Inspection process, and it is affirmed that the:

- sheep/mob(s) are those declared, or are representative of those declared, on the NWD/Classer's Speci, &
- AWEX Safe Operating Procedures (SOP) – COVID-19 have been received, & that these SOPs will be adhered to.

27. *What is required to Prepare the Sheep for Inspection?*

The mob(s) needs to be brought to sheep yards with a race. The Inspector will run the sheep into the race to physically inspect the tail & breech regions for scars consistent with mulesing. For mobs greater than 200, 200 sheep (e.g. "wing" from a large mob) will be examined, & for mobs less than 200, the entire mob will be examined.

28. *What are the Inspectors looking for during the Inspection?*

The Inspectors will closely examine the sheep for distinctive scars on the breech &/or the tail region of a sheep that result from the Mulesing operation. Therefore, the sheep need to be in a race & not in a paddock or yards. This unique scarring can be differentiated from shearing cuts, LA/LN treatments or other methods of breech modification.

If LA/LN treatments or other breech modification methods are used, (i.e. a method that results in the removal or loss of skin from the breech &/or tail of a sheep), the Owner/Manager must be able to provide evidence of the treatment/modification for the entire mob(s), such as Tax Invoice from the contractor who performed the treatment/modification. If the sheep are purchased, the same trace-back to the treatment/modification must be sourced from the vendor.

29. *How long will an Inspection take?*

Depending on the length of the wool & the cleanliness of the sheep, the Inspection takes from ½ to 1 hour. Time is also available for the Owner/Manager to discuss the NWD & its Integrity Program with the Inspector.

30. *How many Mulesed sheep are allowed in a NM, LA, LN or AA mob?*

There is no "allowable" number of Mulesed sheep in a NM, LA, LN or AA mob. To clarify, prior to shearing every effort must be made to draft off all Mulesed sheep from NM, LA, LN or AA sheep. The intention is that a NM (LA, LN or AA) mob is just that, NM (LA, LN or AA). Only at an Inspection may the issue of Compliance take into consideration sheep from another mob or strays that may have joined the mob post-shearing. Sheep from other mob(s) & strays must be easily differentiated from the declared mob (e.g. by ear-tags or ear-marks).

31. *Why would my Declaration be Incorrect?*

There can be several reasons why a Declaration might be wrong or incorrect, ranging from an honest mistake, the declaration being completed by someone other than the Owner/Manager, a mistake in understanding the question(s), an incorrect assumption made about the MS of purchased sheep, or a deliberate & misleading error.

The Inspector will discuss the circumstances surrounding an incorrect declaration with the Owner/Manager. In all circumstances, the broker & the buyer will be notified as the wool has been purchased with the understanding that the Declaration was correct.

32. Does the Owner/Manager get to see a Report of the Inspection?

After completing the Inspection, the observations will be written down by the Inspector. At this time, the Owner/Manager is able to discuss any aspect of these observations & add comment for inclusion in the report.

33. Does AWEX provide any other Feedback on the Inspection?

The Inspectors send their findings to AWEX. Based on the written observations, AWEX sends a formal report back to the Owner/Manager listing the outcomes of the Inspection in terms of Compliance.

34. Is the result of the Inspection going to be Publicised to Anyone?

When an Inspection is Compliant (the MS of the sheep complied with the Declaration), the information recorded during an Inspection & the formal report will be confidential between AWEX & the Owner/Manager. However, in cases of Non-Compliance, both the broker(s) & the buyer(s) of the wool (if sold) will be informed.

In cases of Non-Compliance, AWEX will not take any legal action but does retain the right to exclude the property from future Declarations until AWEX is satisfied of its compliance. The buyer(s) of the wool (if sold) may choose to use the Trade Practices Act to take legal recourse for a false Declaration.

35. Will I be fined if my Sheep are Non Compliant?

No fines will be applied to the outcomes of an Inspection (see Question 34 above).

LA, LN OR AA VERIFICATION

36. How are LA/LN Treatments or mulesed with AA Verified?

AWEX sends a letter to the Owner/Manager of the mob(s) declared as LA/LN or AA requesting evidence of the LA/LN treatment or use of AA product(s) on the entire mob(s), see Question 6 above. This request usually refers to the youngest mob on the NWD (or the most recent treatment of LA/LN or purchase of AA product(s)).

37. What form does this Evidence take?

For this Desktop Verification, the Owner/Manager must supply a copy of one of the following:

- Tax Invoice from the provider of the LA/LN treatment, citing the use of Analgesic if LA declared.
- Tax Invoice for the purchase of the AA product(s) from a Veterinarian or other supply company.
- Tax Invoice from the mulesing contractor citing the use of the AA product(s).
- Tax Invoice or a Statutory Declaration from the source of the AA product(s) (e.g. from a relative or neighbour).
- Where sheep have been purchased, either a Tax Invoice, a Statutory Declaration or an Animal Health Statement citing the LA/LN treatment or use of AA product(s) at mulesing.

Note, the evidence should list the number of lambs treated, and the amount of Anaesthetic &/or Analgesic product(s) used for LA or AA.

OUTCOMES FROM AN LA, LN OR AA VERIFICATION

38. Why would my Declaration be Incorrect?

There can be several reasons why a Declaration might be wrong or incorrect, ranging from an honest mistake, the declaration being completed by someone other than the Owner/Manager, a mistake in understanding the question(s), an incorrect assumption made about the MS of purchased sheep, or a deliberate & misleading error.

The Owner/Manager has the opportunity to discuss the circumstances surrounding an incorrect declaration with the AWEX, by email, letter or telephone. In all circumstances, the broker & the buyer will be notified as the wool has been purchased with the understanding that the Declaration was correct.

39. Does the Owner/Manager receive any Feedback on the AA Verification?

AWEX sends a formal report to the Owner/Manager listing the outcome of the AA Verification in terms of Compliance.

40. Is the result of the Verification going to be publicised to anyone?

When a Verification is Compliant (the MS of the sheep complied with the Declaration), the information recorded during an Inspection & the formal report will be confidential between AWEX & the Owner/Manager. However, in cases of Non-Compliance, both the broker(s) & the buyer(s) of the wool (if sold) will be informed.

In cases of Non-Compliance, AWEX will not take any legal action. However, the buyer(s) of the wool (if sold) may choose to use the Trade Practices Act to take legal recourse for a false Declaration.

41. Will I be fined if my LA, LN or AA Verification is Non Compliant?

No fines will be applied to the outcomes of an LA, LN or AA Verification (see Question 40 above).

FOR MORE INFORMATION CONTACT:

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