



NWGA National Congress 2022
'Back to the future'

SustainaWool™
INTEGRITY SCHEME



Cooperation between countries within
internationally recognised standards



Innovation comes in waves

Specification of product ethics
is an innovation wave

Bank Australia as an example

Mutual bank

\$8.5 b assets (+ 303% since 11/12)

Carbon neutral since 2011, Certified B-Corp

4 conservation properties (2,117 Ha)

40% of new members join due to the bank's Environmental, Sustainability, and Governance credentials



The Australian Wool Exchange



The integrity services company responsible for Australia's wool classing, bale packaging & auction data standards.

- ~ 14,000 wool classers registered
- ~ 300,000 sale lots appraised each year
- ~ 19,000 wool clips declared with NWD
- > 1,000 farms using our e-NWD

SustainaWOOL Integrity Scheme

Consists of ~ 900 growers and
Their supply chain partners

11 - 12% of our Merino

Builds on our NWD

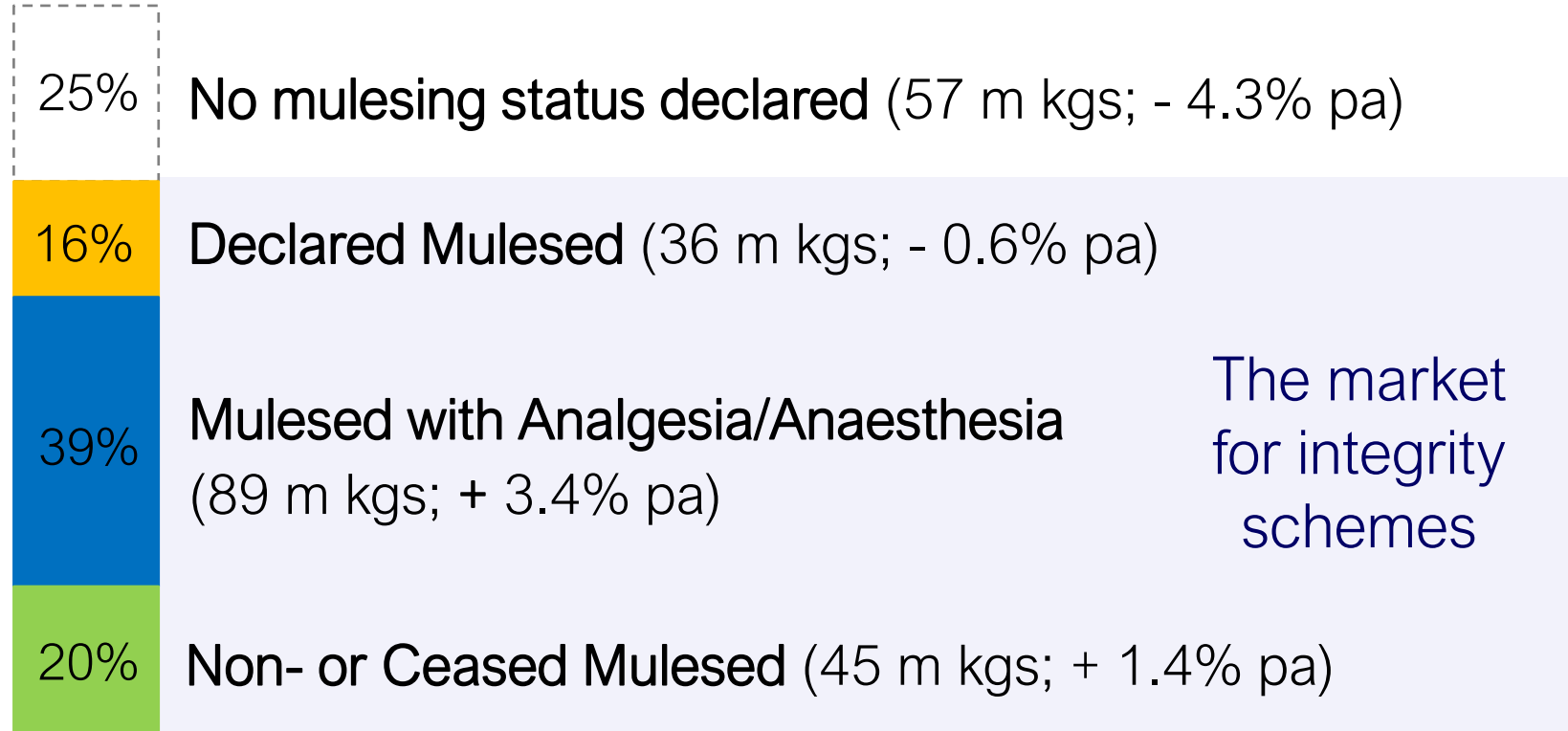
Similar scope to other
Schemes, but adds classing
standards, & support for growers who still mules

Equivalent to SCWS and Abelusi for our non-mulesed growers

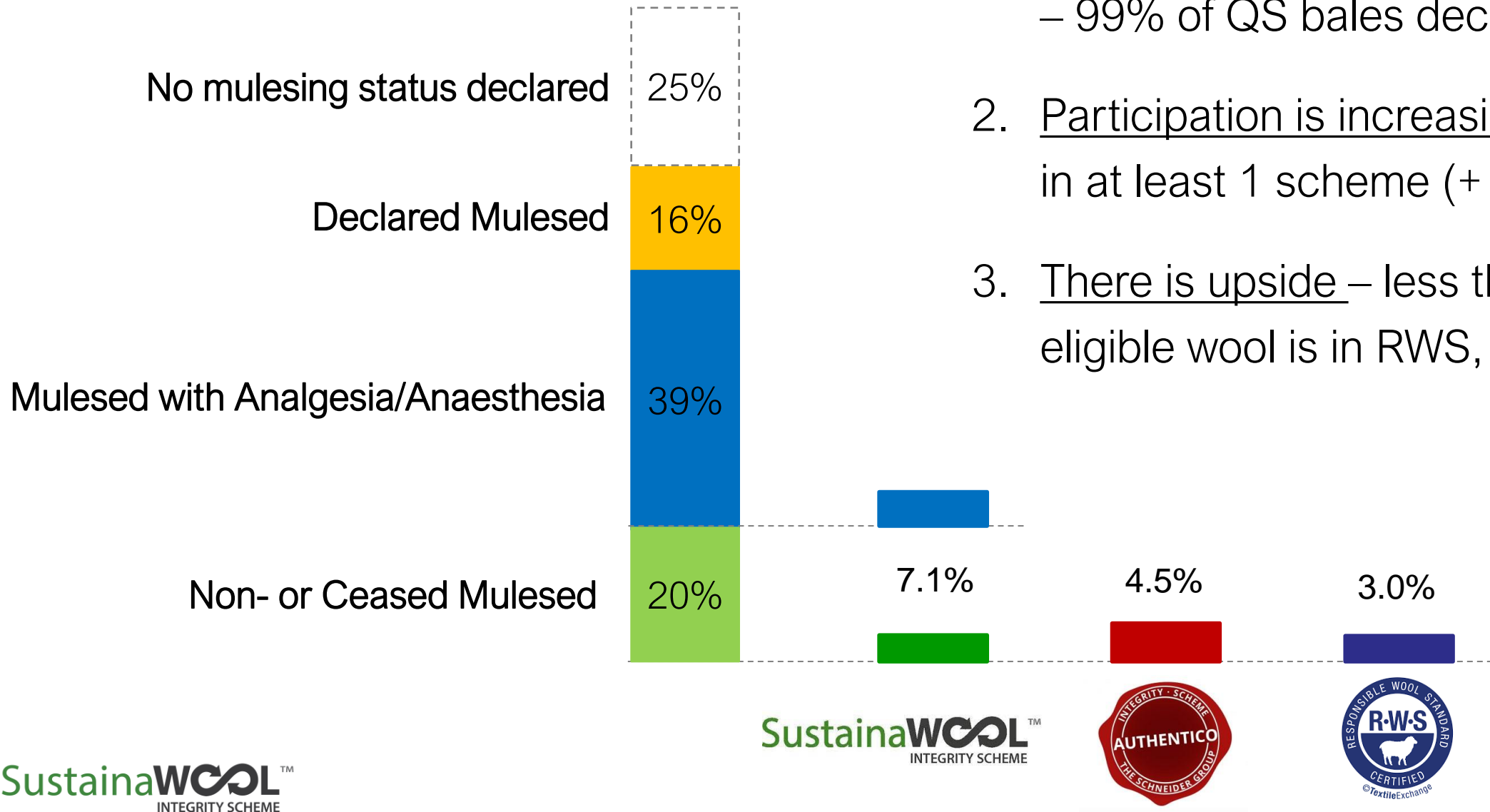
The Australian wool clip in context

227 m kgs (~ 7.5 times larger, and with a mulesing issue)

30 m kgs



Scheme uptake 2021/22 ytd



1. Vendor declaration literacy is key
– 99% of QS bales declare m/s
2. Participation is increasing - 19% is in at least 1 scheme (+ 2% pa)
3. There is upside – less than 20% of eligible wool is in RWS, SW, etc.

What do growers get out of it?

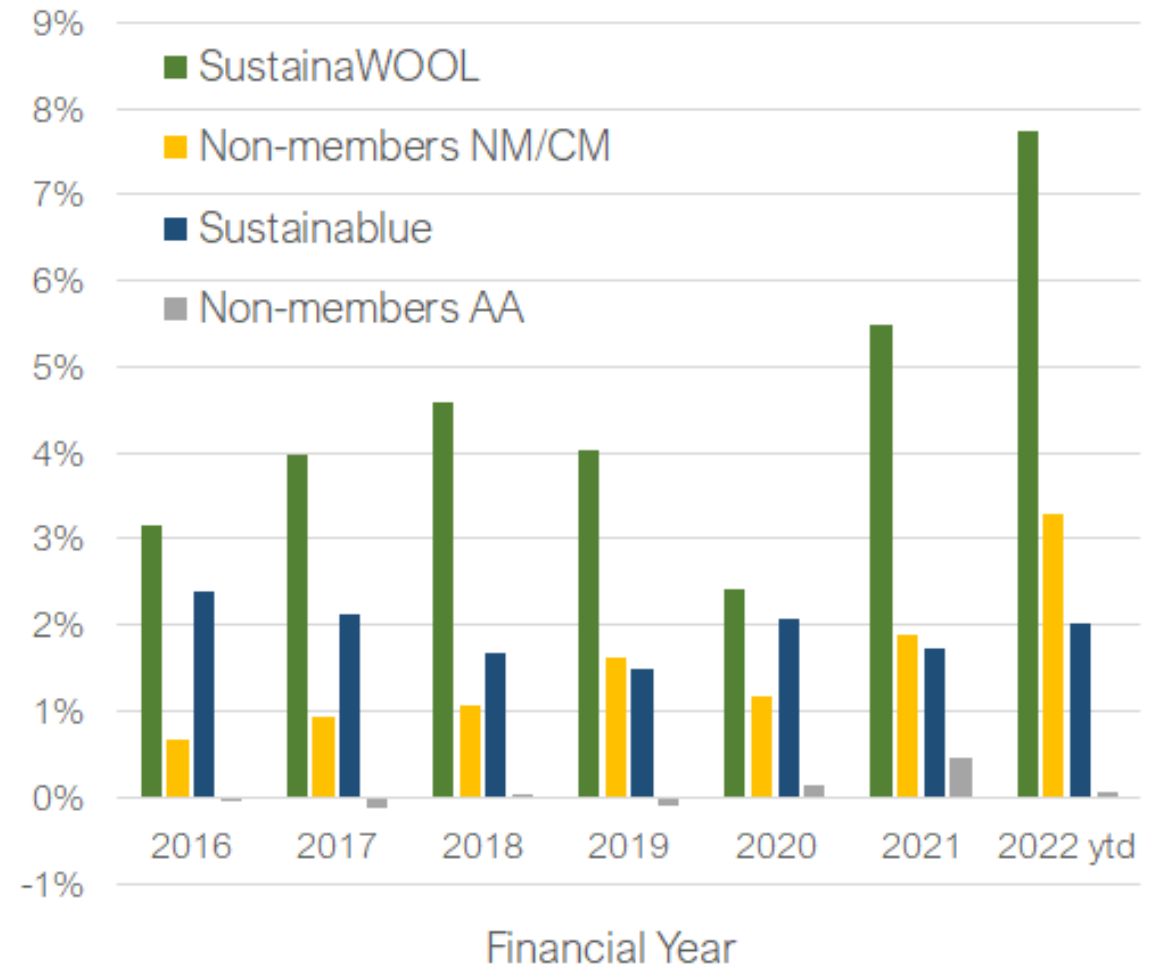
... aside from recognition and pride?



Growth in clip value

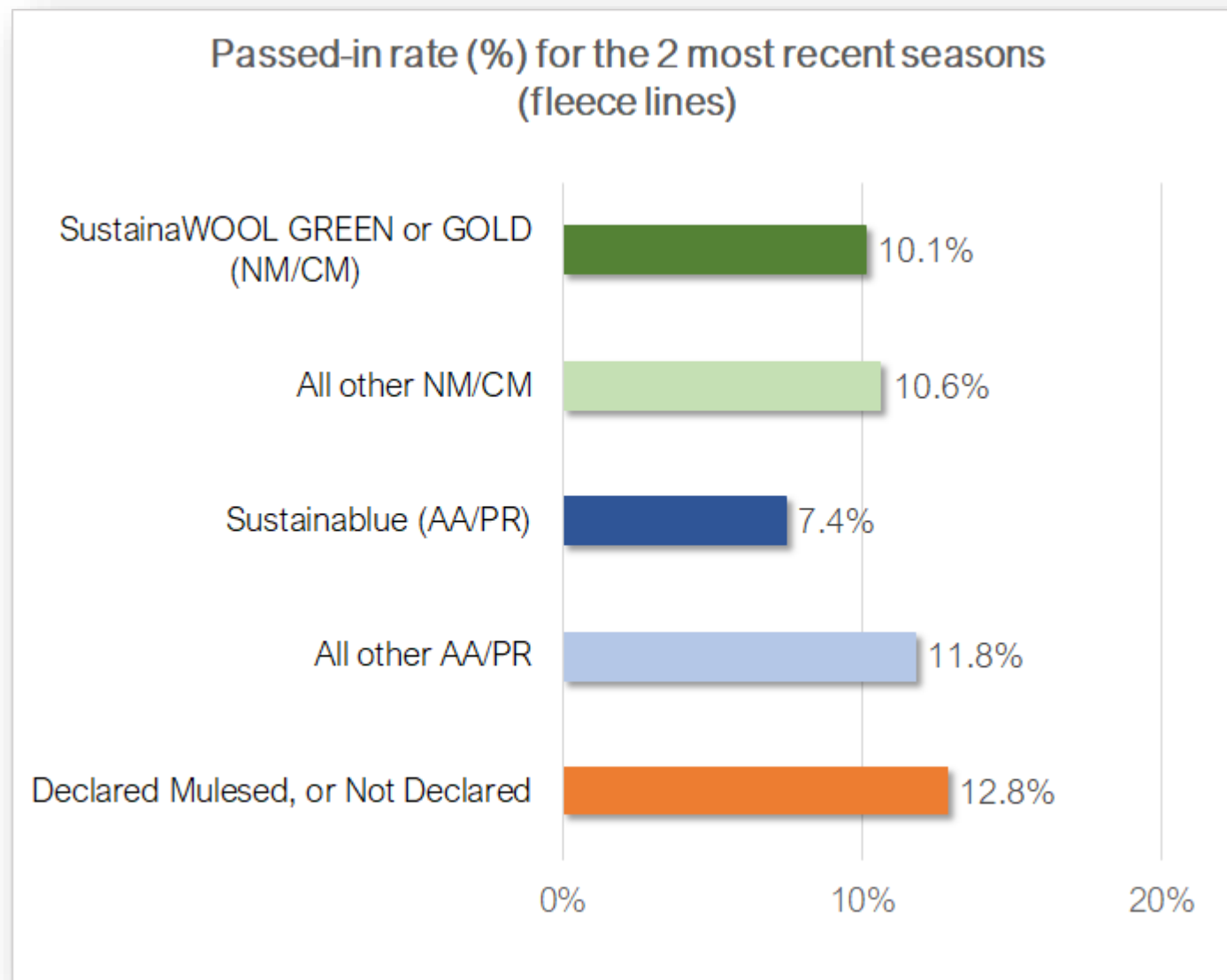
Typically 2 – 6% higher prices are received for eligible bales in certified clips

Premium
relative to
Mulesed
without AA
and Non-
Declared
(%)



...and lower passed-in rates

... reflecting a higher likelihood of receiving an acceptable price



National and international benefit



Benefits of better practice

e.g., use of pre-operative pain relief may halve lamb mortality between marking and weaning in NM flocks *

Globally, market access and reputation

Compatible with growing industry value

SustainaWOOL's ROI was > 5:1 in 2021

* AH Small, S Belson, H Brewer and SM Schmoelzl (2021)
Aust Vet J., 99(1-2):40-43. doi: 10.1111/avj.13037

What is holding us back?



Grower level:

- Lack of awareness, and fear of audits
- Cost and complexity (time and money)

Industry level:

- Mixed messages to growers
- Zero-sum games (either/or)
- Fragmentation / duplication, especially between schemes and between the meat & wool sectors

Intelligent cooperation is required!

Within Australia: increased cooperation between sectors

National farm data code

- Launched in 2020
- National Farmers Federation
- Promotes digital adoption, and permissioned data sharing

OzAg Data Exchange Project

- Launched in 2021
- Meat, wool, wine, cotton, etc.
- Centralised compliance data, traceability, biosecurity focus



Cooperation between international and national standards

Mutual recognition
between schemes is
already occurring

It needs to be catalysed
and communicated

Wool industry regulations
& specifications need
updating



IWTO's contribution

There is a high level of overlap between schemes

IWTO is leading efforts to harmonise standards & understand equivalence

This will lead to an international framework for recognition

Education and awareness are major challenges at retail/brand level

CATEGORY	SCOPE CONSIDERED	INTEGRITY SCHEME					
		1	2	3	4	5	6
INTEGRITY SYSTEMS	Annual renewal required		✓	✓		✓	
	International Certification Standard	✓	✓	✓	✓	✓	
	Group (periodic audit) and Independent verification (2 nd or 3 rd party)	✓	✓	✓	✓	✓	✓
	Through-chain content claim certification	✓	✓	✓			✓
	Mandatory annual desktop audit	✓	✓	✓	✓	✓	
	Individual (annual audit) option	✓	✓			✓	
ANIMAL HEALTH AND WELFARE	Requires compliance with relevant legislation	✓		✓	✓	✓	✓
	Stock person competence and monitoring of stock	✓	✓	✓	✓	✓	✓
	Registered animal health treatments only and withholding periods	✓		✓	✓	✓	✓
	Animal health requirements & animal health records	✓	✓	✓	✓	✓	✓
	Requirements for feed, water, shelter & housing	✓	✓	✓	✓	✓	✓
	Fencing, shelter and general stock-related infrastructure	✓	✓	✓	✓	✓	✓
	Mulesing and pain relief practice declared	✓	✓	✓	✓	✓	✓
	Castration, tail docking, horn & hooves	✓	✓	✓	✓	✓	✓
	Shearing - preparation, process and injuries	✓	✓	✓	✓	✓	✓
	Euthanasia and farm slaughter	✓	✓	✓	✓	✓	✓
	Breeding and lambing	✓	✓	✓	✓	✓	✓
	Live export prohibited		✓	✓			
	Transportation	✓	✓	✓	✓	✓	✓
	Biosecurity	✓	✓	✓	✓	✓	✓
ENVIRONMENT	Compliance with environmental law	✓		✓			
	Chemical & fertilizer use, records, and disposal	✓	✓	✓	✓	✓	✓
	Extreme weather events, including droughts	✓	✓		✓	✓	✓
	Management of grazing pressure, soil monitoring, & biodiversity	✓	✓	✓	✓	✓	✓
	Lethal control of pests/predators		✓	✓	✓	✓	✓
	Use of renewable energy			✓	✓	✓	
TRACEABILITY	Individual sheep identification (tags)	✓		✓	✓	✓	✓
	Property identification coding & sheep movement declarations	✓					
	Defined wool preparation standards	✓		✓			
	Wool bale movement vendor declaration						

Example: How do we define 'regenerative'?

Opportunity exists

Care and connection have value

It is our natural 'space' – and underpins demand and value growth

Our key challenges are to:

- support participation growth
- foster awareness of all schemes
- Cooperate, to reduce inefficiency



dankie vir die geleentheid!!



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Image courtesy of Michael Taylor, 'Taylors Run'