

—WINE— AUSTRALIA

REGULATORY SERVICES

QUALITY MANUAL

CURRENT JUNE 2015



Contents

Wine Australia	3
Policy and Objectives	4
Responsibility and Authority	4
Scope	4
Organisation Chart	6
Position Descriptions	7
Personnel Qualification and Training	7
Licence to Export	8
Product Registration	9
Bulk Wine Controls	9
Export Permits	10
Export Certificates	11
Label Integrity Program	13
Compliance Analysis Program	15
Description and Presentation of Wine	16
Auditing Principles	18
Culture of Compliance	20
External Corrective Actions	20
Procedures and Documents	22
Document Review	24

Wine Australia

The Australian Grape and Wine Authority (AGWA) trading as Wine Australia is a Commonwealth statutory authority established under the *Australian Grape and Wine Authority Act 2013* (AGWA Act). Wine Australia fosters innovation, growth and sustainability within the grape and wine community through administering research and development activities, global marketing initiatives and compliance measures. Our responsibilities are to:

- support grape and wine research activities
- control the export of grape products from Australia
- promote the consumption and sale of Australian grape products
- facilitate market access and remove trade impediments
- provide market intelligence and analysis
- enable Australia to fulfil its obligations under prescribed wine trading agreements and other international agreements

This Quality Manual documents the policies, procedures, accountabilities and documentation that Wine Australia has put in place in order to comply with our regulatory responsibilities.

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Policy and Objectives

Our aim:

We support a competitive wine sector by investing in research, development and extension (RD&E), growing global demand and protecting the reputation of Australian wine.

Regulatory Services – Protecting Our Reputation

Compliance with the Food Standards Code, which underpins how wine is made, and the *AGWA Act*, which determines how wine can be described, is monitored through two key activities: the [Label Integrity Program](#) and [Export Controls](#). In addition we annually sample and submit to chemical analysis a statistically valid sample of Australian wine.

Wine Australia maintains the [Register of Protected Names and Other Terms](#) and supports the Geographical Indications Committee – a statutory committee established to define the grape producing regions of Australia.

Our regulatory activities complement our efforts to maintain and improve access to international markets, and we assist wine exporters by publishing guides to the wine production and labelling requirements of those markets.

Responsibility and Authority

The General Manager, Regulatory Services for Wine Australia has the responsibility and authority for quality assurance. In the General Manager's absence this responsibility is assigned to the Export Assistance Manager.

Scope

The *AGWA Act* controls the export of grape products in consignments greater than 100 litres. Grape products are defined in Section 4 as:

- a) wine manufactured in Australia from prescribed goods (*fresh grapes; dried grapes and grape juice, whether single-strength or concentrate*);
- b) brandy distilled in Australia from any such wine;
- c) grape spirit manufactured in Australia from prescribed goods and suitable for the fortifying of wine or the manufacture of brandy; or
- d) a product (being prescribed goods or a product derived in whole or in part from prescribed goods) declared by the regulations to be a grape product for the purposes of this Act.

For the purposes of paragraph d), a product is a grape product for the purposes of the Act if:

- a) it includes wine; and
- b) it is derived in whole or in part from prescribed goods; and
- c) it is not a grape product referred to in (a), (b) or (c) (above); and
- d) an Australian standard applies to it.

The export compliance activities of Wine Australia cover the following main categories:

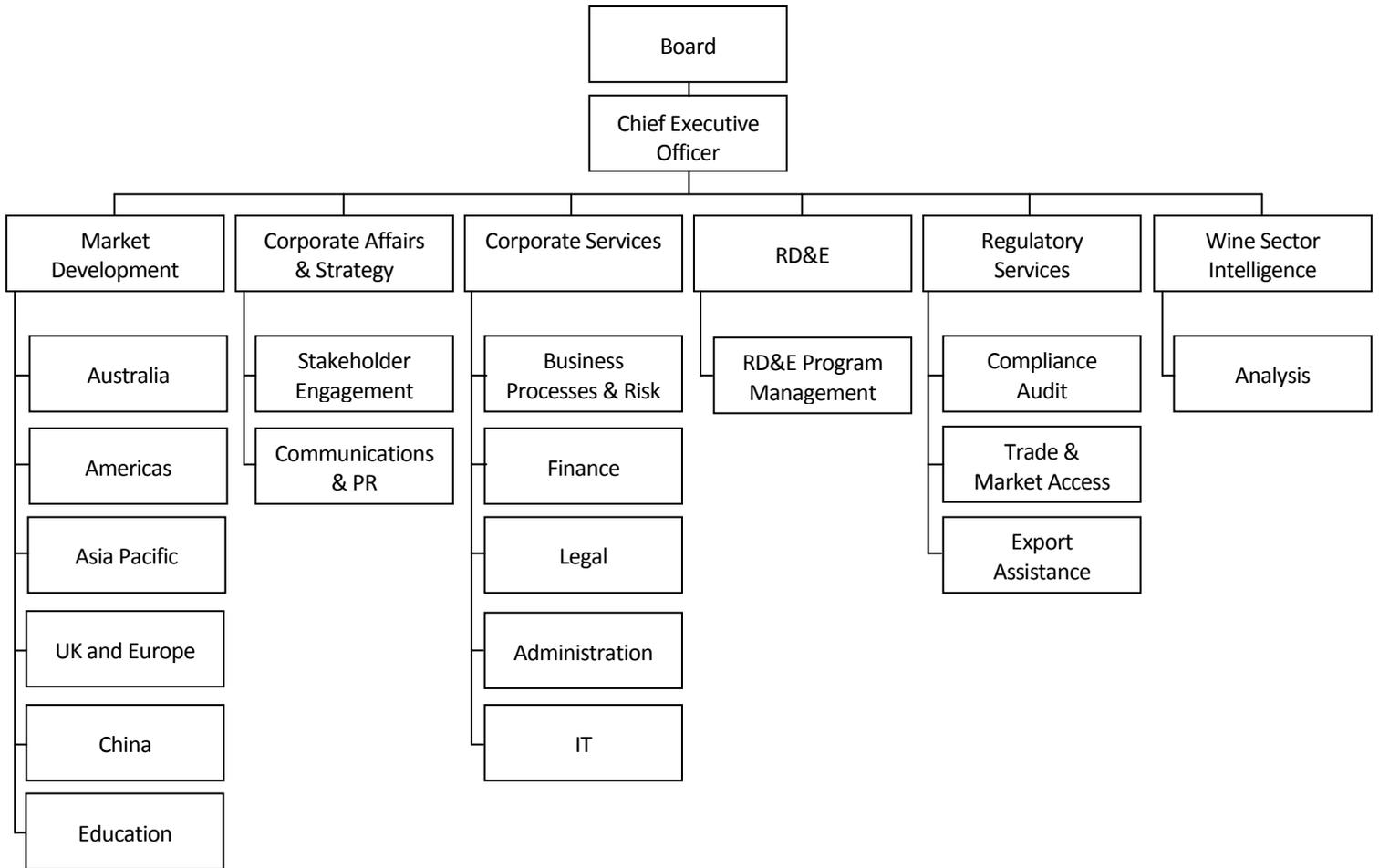
- licensing – issuing a Licence to Export Grape Products to applicants fulfilling the requirements of Regulation 5
- product registration – registering products proposed for export
- export permits – issuing export permits to wines which fulfill the requirements of the conditions of export
- export certificates – issuing certificates as required in order to facilitate the clearance of Australian wine in overseas destinations

The Label Integrity Program outlined in the *AGWA Act* extends to wine goods, defined in Section 4, as wine or grapes, or grape extract, used or intended to be used in manufacturing wine.

The audit activities of Wine Australia fall into the following main categories:

- label integrity – ensuring the description and presentation of Australian wine fulfills the requirements of the *AGWA Act*
- sample audits – ensuring exported products comply with the Australia New Zealand Food Standards Code
- customs audits – reconciling shipping data between Wine Australia’s Wine Export Approval (WEA) system and Australian Custom’s export declaration data.

Organisation Chart



Position Descriptions

Accountability overviews and performance reviews are kept on file in the document management system.

Personnel Qualification and Training

Tertiary training in a technical or business field is desirable but not essential. Formal auditing qualifications such as Certificate IV in Government (Statutory Compliance) are desirable for Compliance Auditors.

Previous work experience in the wine sector is highly regarded.

Knowledge of the following is essential:

- *AGWA Act & Regulations*
- Food Standards Code
- wine export requirements and procedures
- generic wine recording systems
- the grape and wine sector and an understanding of the concept of 'compliance culture'
- basic understanding of oenology and viticulture
- the systems approach to continuous improvement

The following skills and behaviors are essential in the role:

- strong written and oral communication skills
- effective interpersonal skills
- a co-operative, productive and positive attitude
- ability to work autonomously and exercise a high level of discretion
- firm but diplomatic approach to auditing
- strategic thinking
- proficiency in Microsoft Office programs
- attention to detail
- customer service focus

It is not anticipated that applicants will possess all the relevant skills – appropriate training including training in the operation of the WEA system may be provided as required.

Licence to Export

Regulations require exporters of grape products to be licensed where individual shipments exceed 100 litres.

A licence to export grape products may be granted under Regulation 5 upon the application of a person and after taking into consideration the prescribed matters specified in Regulation 5(3) in relation to the person.

Licences can only be granted to a legal entity; either an individual or an incorporated body. Licences are renewable annually subject to the payment of the renewal fee. Licence application fees are not refundable in the event that the applicant subsequently withdraws the application or the decision is made not to grant the application.

A change in the licensee's circumstances is to be advised as soon as practicable. Licences are not transferable between companies or individuals.

Regulation 9 provides for the suspension or cancellation of a licence for breaches of the regulations or in other prescribed circumstances. The Board must approve suspensions or cancellations of licences.

Grant of Licences – Prescribed Matters:

- a) financial standing of the applicant; and
- b) whether the applicant has a place of business in Australia; and
- c) the applicant's ability to obtain grape products from Australian suppliers; and
- d) matters applicable to the person that relate to the promotion of the export of grape products, including matters that may affect adversely the export trade in grape products; and
- e) any other matters relating to the promotion of the export of grape products; and
- f) whether Wine Australia has cancelled a licence held by the applicant; and
- g) if the applicant is an individual – whether Wine Australia has cancelled a licence held by a corporation of which the applicant was a director or a shareholder who held a controlling interest.

Product Registration

It is a condition of export under Regulations 6 (1)(d)–(e) that products are registered with Wine Australia prior to export. Exporters must submit a Product Registration Application for each product. The application includes a Certificate of Analysis (CoA), the composition of the product by vintage, variety and geographical indication, the FOB export price and a declaration of whether the product is 'organic'. The CoA is checked for compliance with the parameters set by the Food Standards Code.

Registered products are issued a Continuing Approval Number which is valid for 20 years from the date of issue.

In the case that a product partially complies with the Food Standards Code, Regulation 6A(2) states that the Board may approve the wine for export provided it meets any requirements for grape products imposed by the export destination and provided the non-compliance will not compromise the reputation of Australian wine.

Bulk Wine Controls

Regulation 6(1)(b) states that it is a condition of export that Wine Australia has approved the purchaser of the product. This authority is enacted only in the case of evidence of uncontrolled handling, storage or bottling practices carried out by overseas bottlers.

Bulk wine shipments are subject to loading and transportation specifications. Compliance Auditors have the authority to audit the loading and despatch process (including the required records and retention samples) in order to ensure compliance with the procedure.

Major Non-Conformances:

If evidence of any of the following is detected, consideration should be given to cancelling, or at least suspending, the approval status of facilities responsible for such non-conformance:

- the use of non-permitted additives
- wine labelled with a vintage, variety or regional description to which it is not entitled
- the use of old bottles to package wine
- identification through chemical analysis of a major fault or hazard in the wine.

Minor Non-Conformances:

Minor non-conformances which should be notified to the exporter and consignee with expectation of rectification prior to the next audit include:

- the use of permitted additives without prior permission from Wine Australia
- minor labelling or blending errors.

Export Permits

Regulation 6 (1)(f) requires that Wine Australia issues an export certificate for the product to be exported. Regulation 7 requires that licensees submit a completed shipping application for each consignment of wine leaving Australia that is in excess of 100 litres. The shipping application notifies of the intention to export and should be lodged 10 days before the date of departure.

The application must include all shipping details as well as a list of products with their Continuing Approval Numbers. If the export complies with all necessary requirements, an Export Permit Number will be issued.

The permit number is required to obtain the Export Declaration Number (EDN) from the Australian Customs and Border Protection Service.

Under Regulation 7, grape products described as 'organic' and products subject to the Export Control (Organic Produce Certification) Orders, require the licensee to provide a copy of the organic produce certificate with the shipping application.

Regulation 6 (3)–(4) allows for specific exemptions to the general conditions of export under legislated circumstances. Shipments greater than 100 litres require an Export Permit, however, exporters are exempt from the requirement to be licensed and obtain product approval when one of the following conditions are met:

- shipments less than 100 litres – defined as a consignment made up of one exporter, or one or more related exporters; on one ship or aircraft; to a single port of discharge; whether or not to one consignee;
- contained in the personal luggage of a traveller;
- for the household of an individual who is moving house;
- for display at a trade fair or comparable event;
- for a scientific or technical purpose;
- for diplomatic or consular establishments as part of the duty-free allowance of the establishment;
- for victualling supplies that are held on board a means of international transport;
- commercial samples for a prospective buyer.

Related exporters include related bodies corporate; individuals who are relatives; or individuals who are acting in concert with each other.

A Shipping Exemption Form needs to be submitted in order to obtain an Export Permit for shipments complying with the exemption criteria. Exporters will need to supply supporting documentation e.g. commercial invoice or purchase order.

Export Certificates

Some country authorities or importers require additional certification for imported wine. In particular, wine exports to the European Union (EU) require a VI1 certificate. EU regulations state that only wine accompanied by an official EU VI1 certificate will be cleared by the authorities at its destination. VI1 Certificates are issued to exporters after an Export Permit has been granted.

VI1 Certificates are not required to accompany products in containers not exceeding five litres and fitted with a non-reusable closing device where the total quantity transported, whether or not made up of separate consignments, does not exceed 100 litres. In addition, VI1 Certificates are not required in the following circumstances:

- a) personal luggage of travellers up to 30 litres;
- b) one private individual to another up to 30 litres (must be of occasional nature, exclusively for personal use by family, no commercial intent, free of payment of any kind);
- c) personal property of private individuals transferring their normal place of residence from a third country to the European Community (EC);
- d) trade fairs (exhibitions, shows and charity events – not events staged for private purposes by commercial stores) for products in labelled containers not exceeding two litres fitted with a non-reusable closing device;
- e) scientific or technical experiments up to 100 litres;
- f) consular or special missions;
- g) wine held on board vessels and aircraft operating in international transport;
- h) wine and grape juice originating and bottled in the EC returned to the customs territory of the EC.

In the case of indirect imports where wine is exported from a third country to another third country and then exported to the EU, the competent authorities of the exporting country may draw up the VI1 document for the wine on the basis of a VI1 document or equivalent drawn up by the competent authorities of the country of origin.

The wine may be bottled and labelled in the country of origin; or can be exported in bulk from the country of origin and bottled and labelled in the exporting country with or without any further processing. Wine Australia can issue foreign VI1 Certificates in the case of foreign wine exported to the EU from Australia and complying with the above criteria, and VI1 Equivalent Certificates in the case of Australian wine exported to the EU from a third country.

For other types of Export Certificates, licensees must submit a completed template (downloadable from the Wine Australia website). The template must include the Export Permit or, in the case of countries requiring product registration prior to export, current Continuing Approval Numbers. Most South American countries, Turkey, Indonesia, Vietnam and the Philippines require certificates for product registration prior to shipment.

Wine Australia may stamp and sign the following certificates:

- Certificate of Free Sale
- China Certificate of Free Sale
- South Africa Cultivar Certificate
- South America Certificate of Free Sale
- Brazil Export Certificate (wines with greater than 14 per cent alcohol or high chlorides)

Wine Australia may authenticate Australian Certificates of Origin (CoO) for consignments which have been granted an Export Permit Number. In the case of commercial samples which do not have a Continuing Approval Number, certificates may be authenticated on the basis of a declaration from the exporter that the wine is 100 per cent Australian origin and a commercial invoice or similar document is provided. For ASEAN countries, CoOs must be obtained through the Australian Chamber of Commerce & Industry (ACCI) due to provisions in the free trade agreements with those countries.

To complete a CoO, exporters must fill in each section of the form. They must always be typed, not handwritten and both pages of the document must be printed, with the Rules of Origin on the reverse. A signed copy from an authorised signatory of the company should be forwarded for authorisation. Unsigned copies will not be authenticated.

Some countries require specific export certificates in order to export into their market. Three such countries are Taiwan, Brazil and Argentina. The Taiwan Alcohol Health Standard Certificate is required for initial exports of wine to Taiwan. The Export Certificate issued by Wine Australia is recognised by the Taiwan Ministry of Finance.

Exporters must fill in the details of the Alcohol Health Standard Certificate. A NATA laboratory must provide the analysis for the sulphur dioxide. The analysis must be stamped and signed by the NATA laboratory (the analysis may be attached to the certificate or provided on the actual certificate).

The Brazilian and Argentine governments require a combined CoO and CoA. This certificate is required for product registration so will not be accompanied by an Export Permit Number. The CoA must be completed by the laboratory and forwarded to Wine Australia for signing and stamping of the CoO.

Label Integrity Program

The Label Integrity Program (LIP) is outlined in Part VIA of the *AGWA Act*. The object of the LIP is to ensure the truthfulness of statements made on wine labels, or made for commercial purposes in other ways, about the vintage, variety or geographical indication of wine manufactured in Australia.

Outlined in Section 39C, the LIP applies to:

- a) a person who grows grapes that are wine goods;
- b) a manufacturer of wine goods;
- c) a person who supplies or receives wine goods (including a person who sells the wine goods wholesale or retail or who exports the wine goods);
- d) a person specified by the regulations for the purposes of this section;
- e) an agent who takes possession of wine goods on behalf of a person mentioned in any of paragraphs (a) to (d).

Winemakers are not required to make a label claim about the wine vintage, grape variety or geographical indication, but must keep an audit trail if they do. The LIP prescribes what must be recorded but not how records must be kept.

Outlined in Section 30A, the LIP applies to 'wine goods' which includes wine or grapes or grape extract used or intended to be used in manufacturing wine.

Records to be kept by the record keeper (Section 39F) include:

- a) the identity of the record keeper;
- b) the type of wine goods to which the record relates;
- c) the date the record keeper receives the wine goods;
- d) the identity of the person from whom the wine goods are received;
- e) the quantity of the wine goods received;
- f) the vintage, variety and geographical indication of the wine goods;
- g) details of steps taken by the record keeper that changed or affected any of the following:
 - i. the vintage, variety or geographical indication of the wine goods;
 - ii. the tank, place or thing in which the wine goods were stored;
 - iii. the volume of the wine goods stored in the tank, place or thing;
- h) the date the record keeper supplies the wine goods;
- i) the identity of the person to whom the wine goods are supplied;
- j) the quantity of the wine goods that are supplied;
- k) the vintage, variety and geographical indication of the wine goods supplied;
- l) any other details in relation to the wine goods that are prescribed by the regulations.

Records must be made within three days and retained for seven years.

Section 39G outlines when certain details are not required to be kept and include the following:

- 1) A person who grows grapes is not required to keep a record showing details of the receipt of wine goods (Section 39F(1)(c) to (f)).
- 2) If:
 - a) a person:

- i. supplies or receives wine goods that are packaged in a container for the purpose of sale of the wine goods to a consumer;
 - ii. or is an agent who, on behalf of a person covered by subparagraph (i), takes possession of wine goods that are packaged in a container for the purpose of sale of the wine goods to a consumer; and
- b) before the wine goods are sold to a consumer, the person has not taken any steps to change or affect any label claims made about the wine goods; the person is not required to keep a record showing details required under paragraphs 39F(1)(e) to (l) in relation to that supply, receipt or taking possession of the wine goods.

Identity of a person (Section 39H)

The details required to identify a person along the supply chain include a name and address sufficient to identify the person and in the case of a winery, the name and address of the winery.

Manufacturing wine (Section 39H)

In the case that wine goods are changed or affected in any way an audit trail containing a history of the changes to the wine goods must be kept in a readily traceable record. The record must be checked for discrepancies by following the sequence of the steps recorded.

Blends (Section 39H)

In the case of blended wines from different vintages, varieties or geographical indications, the records must show what proportions of the blend are represented by each blended wine and the vintage, variety and geographical indication of each blended wine.

Grape extract (Section 39H)

Grape extract derived from grapes of different vintages, varieties or geographical indications must show the proportion of the wine goods derived from each kind of grape and the vintage, variety and geographical indication of each kind of grape.

Offences relating to record-keeping requirements (Sections 39J and 39K)

The Act provides for a penalty of two years imprisonment or a maximum fine of 120 penalty units instead of, or additional to imprisonment for failure to keep a record; keeping a false or misleading record; for making a label claim not supported by records; or for failing to provide a copy of the record when supplying wine goods.

Compliance Analysis Program

Regulation 6 of the *AGWA Regulations 2013* prohibits the export of wine unless the exporter has provided samples of the wine and the label to Wine Australia. Samples are requested either at the time of product registration, during a field audit, or at any other time Wine Australia considers it necessary to request samples.

The purpose of the Compliance Analysis Program is for the inspection and analysis of samples to confirm compliance with the Australia New Zealand Food Standards Code. The program is serviced by a contracted NATA laboratory on a financial year basis. The parameters to be examined are established by the Wine Industry Technical Advisory Committee and reviewed annually.

Wine Australia will randomly select a representative number of samples of wines registered for export and request samples to be provided for inspection and analysis. In the case of packaged wine, two fully labelled samples of the product should be provided. In the case of bulk wine, samples should be provided in glass bottles of at least 187 ml and sealed with a non-cork closure. Ideally these samples would be taken at the last possible point upstream of container loading, but this may not always be practical. Exporters will have seven days to acknowledge receipt of the request and advise that a sample has been dispatched. The samples provided must be representative of the product registered for export. Bulk wine samples will also be selected for return audit following packaging by offshore consignees.

During field audits, Auditors will ask to see evidence of the systems implemented to control the incidence of agricultural chemical residues in finished wine. This evidence includes the operation of a spray diary regime, and the conduct of residue testing either internally, or through use of an external laboratory. This evidence will assist in determining if samples will be collected for further testing.

Auditors may request samples of any product (wine or wine-based beverage) produced by the wine manufacturer or traded by the exporter. If bulk or packaged stock of the product is held by the manufacturer or exporter at a facility remote from the site being audited, then a reasonable time period will be allowed for samples to be provided.

It is possible that Auditors may ask for samples of product no longer held in commercial quantities. It is expected that manufacturers and exporters will retain at least two samples of each product registered for export for at least six months after bottling, or three months after exhaustion of stock, whichever is the earliest. Samples of each bulk wine consignment should be retained for at least six months after shipment as per the current published procedure. It is recommended that manufacturers and exporters retain samples for as long as practical.

From time to time Wine Australia may call for the submission of samples outside the framework presented above, in order to assist with enquiries into compliance with label laws or the Food Standards Code.

Description and Presentation of Wine

Labels must meet the blending regulations outlined in Part 4 of the *AGWA Regulations*.

Labels must not refer to terms protected on the Register of Protected GI's and Other Terms unless the wine is entitled to use that term. The register includes Australian and foreign GI's, traditional expressions and quality wine terms. Protection of traditional expressions does not extend to translation, wine from third countries or across different classes of wine.

The sale, export or import of wine with a false or a misleading description and presentation is prohibited under Sections 40C and 40E of the *AGWA Act*.

'Description and presentation' (as defined in Section 5C of the Act) is a reference to all names (including business names) or other descriptions, references (including addresses), signs, designs and trade marks used to distinguish the wine and appearing:

- a) on the container (including the device used to seal the container and any label affixed), on any tag attached to the container or on the sheathing covering the neck of the bottle; or
- b) on protective wrappings, cartons and case used in the packaging or transport of the wine; or
- c) in documents relating to the transport of the wine or in other commercial documents (for example, invoices or delivery notes) relating to the sale or transport of the wine; or
- d) in advertisements relating to the wine.

The description and presentation of wine is considered false under Section 40D if:

- a) it includes the name of a country, or any other indication that the wine originated in a particular country, and the wine did not originate in that country; or
- b) it includes a registered geographical indication, and the wine did not originate in a country, region or locality in relation to which the geographical indication is registered; or
- c) it includes a registered translation of a registered geographical indication, and the wine did not originate in a country, region or locality in relation to which the geographical indication is registered; or
- d) it includes a registered traditional expression, and:
 - i. the wine is not a wine in relation to which the expression is registered; and
 - ii. the wine is in a category of wine in relation to which the expression is registered; and
 - iii. the expression is in a language in relation to which the expression is registered; or
- e) it is not in accordance with any provisions relating to the description and presentation of wine as are prescribed for the purposes of this paragraph.

The description and presentation is not false if it includes a registered geographical indication, a registered translation of an indication or a registered traditional expression and the wine originated in that country, region or locality. Furthermore, the inclusion of a common English word or term that is not used in a false or misleading manner is not considered false. The inclusion of the name of an individual, who manufactured, sold, exported or imported the wine or the

address of the winery at which the wine was manufactured is not considered false provided it is not used in such a way as to be likely to mislead.

The description and presentation is misleading if it includes a term that so resembles a registered geographical indication, registered translation of the indication or registered traditional expression as to be likely to mislead to the origin of the wine.

Regulation 17A allows for the co-existence of Australian geographical indications and trademarks which were registered by IP Australia prior to the registration of the geographical indication. Furthermore, Section 40DB allows for the continued use of traditional expressions which were registered with IP Australia prior to the protection date of 1 December 2008.

Severe penalties apply under this legislation and prosecution action can be instigated by Wine Australia or any interested party. False and misleading statements are also subject to the provisions of the *Competition and Consumer Act 2010* and state fair trading acts.



Auditing Principles

We will conduct sufficient winery inspections to provide confidence that the wine sector demonstrates compliance with Australia's regulatory system.

Audit coverage each year will be designed to include:

- a wide spread of regions
- minimum 300 field audits
- wineries which together produce at least 30 per cent of the national crush
- at least one site of each of the four largest wine producers
- at least one site of five of the remaining top 20 wine producers
- at least 80 audits of non-producers
- contract bottling facilities
- vintage fruit receival audits.

A quarterly audit report will be completed by the audit team outlining audit numbers and significant outcomes for comparison against the targets set annually.

Audit Agenda

- Risk management principles should underpin the schedule. These principles involve assessing:
 - the magnitude of the risk; and
 - the likelihood of it occurring.
- In general the largest entities, with electronic systems in place, are less likely to be non-compliant, but more likely to damage the reputation of Australian wine if breaches are detected.
- Contract processors present a high risk as inherent problems could potentially spread across multiple brands.
- Non-producer exporters present unique risks, particularly if customer supplied labels are involved.
- Entities previously exhibiting non-conformance will be subject to additional scrutiny.
- The proportion of winery inspections conducted during harvest will be minimised and held below 10 per cent, despite the harvest season covering more than 25 per cent of the year.
- The duration of each audit will be recorded and average time will not exceed two hours.
- Unless identified as a high risk entity, requests for audits of product information will be restricted to no more than three per occasion.
- Wineries providing evidence of the conduct of satisfactory internal audits will be subject to lower levels of inspection.

Sample Collection

- Samples will be requested at random, based either on recent product registrations, or during/post-field audits. Samples will be collected from producers only.
- Samples will be dispatched to an external laboratory in order to determine compliance with the Food Standards Code and to determine potential Australian exposure to wine contamination issues.

- The particular parameters to be analysed will be reviewed at least annually by the Wine Industry Technical Advisory Committee (WITAC). They are likely to include phosphorus acid; 2,4-D; plasticisers; histamine; ethyl carbamate; ochratoxin; heavy metals and a range of agricultural chemical residues.
- Auditors should ask to see evidence of the systems implemented to control the incidence of agricultural chemical residues in finished wine. This includes, for example, the operation of a spray diary regime, and the conduct of residue testing either internally, or through use of an external laboratory. This evidence will form the basis for determining the number of samples collected at each audit.

Audits by state based on number of wineries:

State	Tonnes (approx % of Australian total)	Number of wineries (%)	Number of audits(based on total of 300)
South Australia	47.7%	27%	83
Victoria	18.5%	30%	90
New South Wales	28.9%	19%	58
Western Australia	4.3%	15%	46
Tasmania	0.5%	4%	12
Queensland	0.1%	4%	12

Table 1

Audits by winery size:

Winery Size	<100T	100-500T	500-10,000T	>10,000T	Total
Total Wineries	1744	417	203	28	
Risk factor (mag)	0.1	0.15	0.25	0.5	
Risk factor (prob)	0.5	0.3	0.18	0.02	
Combined risk X 300	100	90	90	22	300
South Australia	22%=22	36%=32	46%=42	46%=10	106
Victoria	34%=34	19%=16	19%=18	25%=6	74
New South Wales	18%=18	21%=20	18%=16	25%=4	58
Western Australia	15%=16	17%=16	12%=10	3.5%=2	44
Tasmania	5%=5	1.7%=4	2%=2	-	11
Queensland	5%=5	2%=2	1.4%=2	-	9

Table 2

Table 1, based on relative number of wineries, and Table 2, based on risk principles, provides reasonable equivalent outcomes for all states.

Culture of Compliance

To create a 'culture of compliance' in the sector the following actions are taken on an ongoing basis:

- the regional audit program each year includes a mix of states, and old and new regions
- wineries which exhibit regular or potentially serious errors (usually associated with export approval procedures) are subject to more frequent scrutiny
- during audit visits time is spent discussing the current label range of the winery and the various laws which are applicable
- new wineries are identified and provided with a range of regulatory information and an offer to provide a label advisory service
- offers are made to talk to regional associations and tertiary educational bodies when a regional visit for auditing purposes is proposed
- wine compliance brochures are widely distributed to the broader grape and wine community, including relevant students and lecturers, label designers, and manufacturers
- feedback is collected from audited entities following each audit
- compliance awareness and issues are regularly featured in Wine Australia publications.

External Corrective Actions

Wine Australia's stated objective in relation to export controls is to preserve Australian wine's international reputation for quality and integrity. Possible breaches of the regulations may range from accidental, deliberate or recurring non-compliance with documentation requirements, to a serious breach of food law involving health risks to consumers and long-term damage to the international reputation of Australian wine.

Possible breaches that pose a risk include but are not limited to:

- accidental or deliberate failure to provide accurate and adequate documentation;
- accidental or deliberate non-compliance with labelling or analysis requirements;
- the product is unsound;
- the product fails to meet the requirements of the importing country;
- the product is in breach of Australian wine laws or those of the importing country.

Audit reports should be provided following every audit activity using approved forms and templates. Reports should be detailed and include results of specific audits as well as an overall summary of compliance. Any incidences of non-conformance should be noted as well as any areas for improvement.

All allegations of non-compliance are risk-assessed and prioritised within five days.

Corrective actions must be considered on an individual case basis allowing considerations for history of compliance and gravity of offence. The following steps should be considered in formulating a response:

1. minor non-conformance: in the case of minor labelling or record-keeping errors, outline steps for corrective action and follow up within a set time frame.
2. significant non-conformance: this may result in the cancellation of Continuing Approval Numbers in the case of false or misleading labelling; a total product recall; or in the case of wide-spread record keeping problems a recommendation to the Board for the suspension of the Export Licence. Notification to other regulatory authorities of a breach of food laws may be necessary. Such action should only be taken on the advice of the General Manager – Regulatory Advice.
3. major non-conformance: a health and safety breach which requires enactment of the Industry Crisis Response Plan in accordance with the procedure. In the case of evidence of systematic misrepresentation of wine or reckless disregard of the requirements of the LIP, Wine Australia may consider prosecution as directed by the Board.



Procedures and Documents

This quality manual is the top tier of the auditing documentation system. It is supported by Compliance Standard Operating Procedures (SOPs) which are the second tier of quality system documents. The third tier of the documentation system consists of educational resources, templates and supporting documents. Overarching documents include:

Australian Grape and Wine Authority Act and Regulations 2013

Corporate Governance – All operations of Wine Australia are governed by the Corporate Governance Framework and Policy Statements. Documents are kept on file in the document management system.

People and Operations Manual – This is an overarching summary of all Wine Australia policies and includes the Client Service Charter. Documents are kept on file in the document management system.

Standard Operating Procedures:

- 1.0 Export Administration Procedure
- 2.0 Licence to Export Procedure
- 3.0 Product Registration Procedure
- 4.0 Export Permit Procedure
- 5.0 Export Certificate Procedure
- 6.0 WEA Administration Procedure
- 7.0 Audits Procedure
- 8.0 Analysis Program Procedure
- 9.0 Label Review Policy

Regulatory Services Documents:

- Analysis Program Sample Register – *AWBC-260941*
- Audit Database Producers & NLP – *AWBC-276500*
- Audit Schedule – *AWBC-265748*
- Audit Schedule Planner – *AWBC-221856*
- Bulk Wine Audit Inspection Record – *AWBC-223275*
- Bulk Wine Audit Template – *AWBC-223279*
- Compliance Audit Inspection Record – *AWBC-213989*
- Compliance Audit Report – *AWBC-213899*
- Customs Data Audit – No Permit – *AWBC-214129*
- Customs Data Audit – Value and Litres – *AWBC-214130*
- Desk Audit Template – *AWBC-290251*
- [Export Application Forms](#) – *AGWA website*
- [Export Certificate Templates](#) – *AGWA website and 80-20*
- Foreign VI1 Certificate (Further Processing) Template – *AWBC-196677*
- Foreign VI1 Certificate Template – *AWBC-196441*
- LIP Audit Notification – *AWBC-213818*
- LIP Audit Template – *AWBC-215791*

- LIP Audit Template – Bottlers & Bulk Storage – *AWBC-311356*
- NLP Desk Audit Notification – *AWBC-263855*
- NLP Desk Audit Report – *AWBC-261480*
- Product Audit Record Template – *AWBC- 215792*
- Statement of Witness – *AWBC-129145*
- Vintage Random Audit Template – *AWBC-167215*

Educational Resources:

- [Compliance Guide](#) – *Wine Australia website*
- [Export Market Guides](#) – *Wine Australia website*
- [Geographical Indications Guidelines](#) – *Wine Australia website*
- [LIP Record Keeping Template](#) – *AWBC-182871*
- [Winery Record Keeping Instruction Tutorial](#) – *AWBC-47388*
- [Wine Goods Supply Statement](#) – *AWBC-191612*
- [LIP Guide for Wine Grape Growers](#) – *AWBC-193452*
- [Bulk Wine Loading Procedure](#) – *AWBC-223293*
- [OIV List of Vine Varieties and their synonyms](#)
- [Register of Protected GIs and Other Terms](#)

Document Review

The controlled copy of this manual is kept on file in the document management system [AWBC-213033]. Any printed copies of this manual are uncontrolled copies.

Document Revision History			
Date	Section	Author	Summary of Revision
01/06/2011		Export Assistance Manager (JP)	Initial Release.
14/07/2011	Organisation Chart	Export Assistance Manager (JP)	Organisation Chart amended to reflect new management structure.
18/11/2011	Appendix B – Additives and Processing Aids	Export Assistance Manager (JP)	Reduction of alcohol minimum to 4.5%. Addition of Sodium carboxymethylcellulose as an approved additive.
19/12/2011	Document Revised	Export Assistance Manager (JP)	Document revised following outcomes of Compliance Review. Risk Based Auditing Principles revised.
18/05/2012	Annual Review	Export Assistance Manager (JP)	Document updated to reflect changes to export controls announced in January 2012. Compliance Analysis Program added to document. Organisation chart amended.
01/07/2013	Document review	Compliance Auditor (CL)	Updated list of export procedures following biennial review. Risk Based Auditing Principles adjusted.
9/4/2015	Document review	Compliance Auditor (JR)	Policy and Objectives updated. Organisation Chart updated. Compliance Analysis Program updated.
17/4/2015	Document review	Market Access Manager (JP)	Export Compliance Quality Manual and Auditor Quality Manual merged into one Regulatory Services Quality Manual. Bulk Export Controls updated. LIP s39G updated. Document and Procedures updated.
25/06/2015	Document review	Manager, Communications & PR (CG)	Full document review against communications style guide.