



# Australian Government

---

## Wine Australia

### Wine Australia's Statement of Intent

The Australian Government's vision is for Wine Australia to be a high performing and responsive corporate Commonwealth entity that implements a principles-based regulatory framework in a way that allows for continuous improvement, reduces for the administrative burden on business, whilst protecting the reputation of Australian wine.

Wine Australia acknowledges that the regulatory framework it implements should be fit-for-purpose and implemented in a way that reduces the regulatory burden on individuals, business, community organisations and customers. In this context, the Government has issued a Statement of Expectations for Wine Australia, which outlines the Government's expectations of the role and responsibilities of Wine Australia. The Statement of Expectations is available on Wine Australia's website.

This Statement of Intent responds to the Government's Statement of Expectations for Wine Australia, which is a requirement under the Australian Government's regulatory policy as described in the Department of Finance's Regulator Performance Resource Management Guide 128 (RMG 128). Wine Australia's Statement of Intent includes quantitative and qualitative information as well as examples that outline specific actions that relate to Wine Australia's performance against each of the three principles set out in RMG 128 and the Statement of Expectations.

### Our role

Wine Australia is established in accordance with the Wine Australia Act 2013 (Act). Wine Australia's objects include to control the export of grape products from Australia in accordance with Part 3 of the Wine Australia Regulations 2018 (Regulations) and to enable Australia to fulfil its obligations under prescribed wine trading agreements. The latter of these two objects give rise to Wine Australia's obligation to maintain the Register of Protected Geographical Indications and Other Terms, and to administer the Label Integrity Program (LIP) established by Part VIA of the Act.

The regulatory activities conducted by Wine Australia pursuant to the Act and Regulations are:

- a) controlling the export of grape products from Australia as set out in the Regulations – this regulatory activity also includes ensuring that wines exported out of Australia comply with the blending rules pertaining to vintage, variety and geographical origin, and that they comply with the Australia New Zealand Food Standards Code; and
- b) administering the LIP described in Part VIA of the Act – the purpose of the LIP is to help ensure the truth and the reputation for truthfulness of statements made on wine labels, or made for commercial purposes in other ways about the vintage, variety and geographical indication of wine manufactured in Australia.

A description of Wine Australia's regulatory activities, outputs and processes are listed in Table 1.

### Statement of Expectations

Wine Australia notes the Australian Government's priorities and commits to acting in accordance with regulatory best practice in decision making, operational practices, and communications to ensure effectiveness and efficiency. Wine Australia is committed to the delivering the Government's Statement of Expectations. Wine Australia's response is set out after Table 1.

RMG 128 outlines three principles of regulator best practice, against which regulators are required to report in their corporate plans and annual reports. How Wine Australia meets these three principles is set out in Table 2.

**Table 1: Regulatory Activities, Outputs and Processes**

	Regulatory activity	Outputs	Process of the activity
Export licences	Wine Australia makes decisions about whether to grant, suspend or cancel licences to export grape products from Australia in accordance with Part 3, Division 2 of the Regulations.	<p>In considering eligibility to hold licences to export grape products from Australia, Wine Australia has regard to the matters set out in section 9(3) and 13 of the Regulations which include (without being limited to):</p> <ul style="list-style-type: none"> <li>• whether the applicant is a fit and proper person</li> <li>• whether the Wine Export Charge is due and payable</li> <li>• whether a licensee exports a grape product in contravention of the Act or Regulations</li> <li>• any matters relating to the applicant that might adversely affect the export trade in grape products, and</li> <li>• any other matter relating to the promotion of the export of grape product.</li> </ul>	Compliance with the LIP is monitored through the exercise of monitoring powers under section 39ZC of the Act and requests for records in accordance with section 39ZAA of the Act.
			Offences relating to the sale, export or import of wine with false or misleading description and presentation is monitored through risk-based inspections.
			Compliance with conditions of export are monitored through Wine Australia's Licensing and Approval System (WALAS).
			Revocation and refusal of applications for export approval are monitored through WALAS.
Product inspections and label approvals	<p>Wine Australia makes decisions about whether to approve, refuse, suspend or revoke approval of grape products for export in accordance with Part 3, Division 3 of the Regulations.</p> <p>Wine Australia makes decisions about whether the description and presentation of grape products is false or misleading for the purposes of sections 40C and 40E of the Act.</p> <p>Wine Australia makes decisions about whether record keepers have complied with the LIP.</p>	To grant approval of grape products for export, Wine Australia must be satisfied that the grape product complies with the Code (or that the ways in which the product does not comply will not compromise the reputation of Australian grape products).	Compliance with the Code is monitored through WALAS and through risk-based collection of sample tested for compliance with the Code.
		Wine Australia must be satisfied that the description and presentation of the grape product is appropriate having regard to requirements of the Act, other Australian laws and the laws of other countries.	The description and presentation of wine is assessed for compliance through: <ul style="list-style-type: none"> <li>• inspections of labels and LIP documentation as a precursor to granting product approval</li> <li>• LIP inspections.</li> </ul>
		<p>Wine Australia may cancel or suspend licences to export grape products from Australia, apply for injunctions to prevent the sale of non-compliant products, and may pursue criminal penalties for breaches of the Act.</p> <p>Wine Australia must maintain a Label Directory as referred to in the Regulations and must ensure that labels are provided in relation to packaged product prior to granting an export certificate for the relevant consignment.</p>	<ul style="list-style-type: none"> <li>• Risk based inspections of labels are conducted to satisfy Wine Australia that the description and presentation of the grape products are appropriate.</li> <li>• Offences relating to the sale, export or import of wine with false or misleading description and presentation are monitored through risk-based inspections.</li> <li>• Compliance with the Label Integrity Program is monitored through the exercise of monitoring powers under section 39ZC of the Act and requests for records in accordance with section 39ZAA of the Act.</li> </ul>
Shipping approval	Wine Australia makes decisions about whether to issue, refuse or revoke export certificates (shipping approval) in accordance with Part 3 of Division 4 of the Regulations.	Wine Australia must be satisfied that a consignment of a grape product has been approved.	Approval status of grape products is monitored through WALAS.
		Wine Australia must refuse to issue an export certificate if it reasonably believes that the grape product cannot lawfully be sold in the country to which it is to be exported.	Requests for information are made to verify that laws pertaining to the description and presentation of grape products have been complied with.

## Statement of Intent

- Wine Australia's regulatory obligations are delivered in accordance with the principles of best practice regulation as outlined in the RMG 128 (including continuous improvement and building trust, risk based and data driven and collaboration and engagement). This includes responding to independent reviews in a way that addresses underlying issues and improves effectiveness and efficiency.
- Wine Australia is committed to fulfilling its regulatory functions in a way that upholds the reputation of Australian wine while balancing the need to facilitate efficient export systems and processes, and minimising the imposition of unnecessary costs on Australian wine producers.
- Wine Australia is committed to ensuring its regulatory processes remain effective and efficient. Where appropriate, Wine Australia considers improvements to processes and implements alternative methods of ensuring compliance (such as education or information campaigns) to reduce the regulatory burden and costs to stakeholders.
- Wine Australia is committed to engaging meaningfully with Australian Grape & Wine as well as the relevant state, territory and regional representative bodies, the Department of Agriculture, Fisheries and Forestry, IP Australia, and any other export and intellectual property regulators and policy agencies at the Commonwealth or State levels as necessary to achieve Wine Australia's objectives and deliver outcomes for Australia's wine industry.
- Wine Australia is committed to engaging in consultation and communication with its stakeholders to be conducted on an ongoing basis to ensure that Wine Australia's regulatory activities are effective and efficient in delivering against intended outcomes, and that their input is recognised by Wine Australia and addressed in a timely and transparent way.
- Wine Australia operates with transparency and accountability. Where charging arrangements are in place, Wine Australia ensures it documents and reports key information about the activity in a manner consistent with the Australian Government Charging Framework and the Cost Recovery Guidelines.
- Wine Australia is committed to maintaining a focus on sustainability and environmental, social and corporate governance (ESG) and in incorporating these principles into our regulatory functions, to support the Australian wine sector to engage meaningfully with international partners.
- Wine Australia will ensure it conducts its operations and regulates in a manner that is flexible and responsive to changing circumstances impacting the sector.

**Table 2: Implementation and Measure of Success of the Three Principles outlined in RMG 128**

	Principle	Implementation of Principles	Measure of Success
Principle 1	<b>Continuous improvement and building trust</b> – regulators adopt a whole-of-system perspective, continuously improving their performance, capability and culture to build trust and confidence in Australia’s regulatory settings.	<ul style="list-style-type: none"> <li>• Monitoring of stakeholder satisfaction through the annual stakeholder survey.</li> <li>• Implementation of a consultation plan that has been developed in accordance with Wine Australia’s customers.</li> <li>• Development and maintenance of a customer engagement plan.</li> <li>• Ongoing interaction with international fora.</li> <li>• The undertaking of an annual review of the cost recovery statement.</li> <li>• The development and implemented documented stakeholder consultation procedure.</li> <li>• Significant changes to the regulatory frameworks follow stakeholder consultation.</li> <li>• Significant changes to policies and procedures are communicated to regulated entities via a two stage process of interim, followed by final, determinations.</li> <li>• Regular contact with regional wine grape grower and wine producers associations occurs.</li> <li>• Maintaining the Wine Australia Licensing and Compliance Guide.</li> <li>• Engagement with AGW as the declared representative under the Act to test suitability of the current regulatory environment.</li> <li>• Egregious breaches are publicised.</li> </ul>	Reporting against implementation will be undertaken as part of ongoing review of progress against Wine Australia’s Annual Operating Plan.
Principle 2	<b>Risk based and data driven</b> – regulators manage risks proportionately and maintain essential safeguards while minimising regulatory burden, and leveraging data and digital technology to support those they regulate to comply and grow.	<ul style="list-style-type: none"> <li>• Maintenance of Wine Australia’s risk registry and risk framework.</li> <li>• Board meetings carried out to review risk policy and framework and set risk tolerance.</li> <li>• Encouragement of innovation in data and digital space in the administration of Export Controls and LIP, for example WALAS.</li> <li>• Demonstrated willingness to engage in activities that seek to harmonise trade with trading partners and other domestic regulators.</li> <li>• Maintenance of WALAS and development of LIP.</li> <li>• Maintenance of Wine Watch - an online anonymous reporting tool with Wine Australia investigating all alleged non-compliances reported to it.</li> <li>• Inspections are based on risk profile of having regard to supply and demand issues in specific regions and with certain grape varieties.</li> <li>• Additional information is requested from high-risk exporters (using digital technology such as WALAS to identify such exporters).</li> <li>• Implementing an analysis program which involves random analytical testing conducted to ensure and verify compliance with the Food Standards Code and to identify potential market access risks.</li> <li>• New and emerging regulatory risks are identified through maintenance of an enquiry register.</li> <li>• Maintenance of the exporter news which provides for regular communication to exporters.</li> <li>• Development of a consumer action plan which allows Wine Australia to engage with a raft of people from different sectors.</li> </ul>	Reporting against implementation will be undertaken as part of ongoing review of progress against Wine Australia’s Annual Operating Plan.
Principle 3	<b>Collaboration and engagement</b> – regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way	<ul style="list-style-type: none"> <li>• Continuous and regular communication with stakeholder through a range of channels to ensure a two-way feedback process and continuous improvement</li> <li>• Maintenance of the legislative review committee to review any regulatory changes.</li> <li>• Wine Australia engages with the OIV and World Wine Trade Group.</li> <li>• Periodic review of market access risks associated with implementation of regulations.</li> <li>• Wine Australia’s customer engagement plan includes a schedule of educational activities and to increase awareness of requirements under the Act.</li> <li>• Maintenance of an email labels inbox in order for Wine Australia to provide free opinions as to labelling compliance</li> </ul>	Reporting against implementation will be undertaken as part of ongoing review of progress against Wine Australia’s Annual Operating Plan.