

Wine
Australia

Wine Australia Annual Report 2023–24



Australian Government

Wine Australia



We acknowledge the Traditional Owners and Custodians
of the lands throughout Australia and their continuing
connection to land, water and community.

We pay our respects to Elders past and present and extend that
respect to all Aboriginal and Torres Strait Islander peoples.

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Australian Government

Wine Australia

30 September 2024

Senator the Hon. Anthony Chisholm
Assistant Minister for Agriculture, Fisheries and Forestry
C/- Senate
Parliament House
CANBERRA ACT 2600

Dear A/Minister Chisholm

On behalf of the Directors of Wine Australia, I have the pleasure of submitting the *Annual Report 2023-24* for the year ended 30 June 2024.

This Annual Report has been prepared in accordance with the *Wine Australia Act 2013*, section 46 of the *Public Governance, Performance and Accountability Act 2013*, the Statutory Funding Agreement 2020–30 and relevant orders.

Our activities and achievements are reported against our *Strategic Plan 2020–2025*, our *Annual Operational Plan 2023-24* and our Portfolio Budget Statements 2023–24.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Allan'.

Dr Michele Allan AO
Chair
Wine Australia



Year in review

Chair's Report 2023–24

It is my pleasure to present Wine Australia's *Annual Report 2023–24* on behalf of the Board and the team.

It's been an eventful year for the Australian grape and wine sector, which continues to face headwinds in a complex and volatile global environment. In the context of slowly declining global wine consumption, we have faced additional domestic challenges related to an oversupply of red wine, downward pressure on grape prices, significant commercial shifts among the larger players in the market, and higher production and living costs impacting both businesses and consumers. Wine Australia has not been immune, with reduced levies and funding requiring some tough decisions.

The most positive news of the year was, of course, the welcome reopening of the China market to Australian wine in late March 2024, and the few months since have seen a steep increase in our export figures as the supply pipeline is restocked. As wine consumption in the larger, more established markets across the world continues to slow due to changing

demographics, consumer preferences and cost of living pressures, the hope is that Chinese consumers will re-embrace Australian wine and want to take it to their celebratory meals and gatherings during their upcoming festival period.

With all eyes currently on China and the busy schedule of in-market activations across the APAC region in coming months, it remains to be seen whether this upward trajectory in exports will be sustained. Hopes are high, but our analysts' expectations are more moderate. Regardless, the return of the China market is something to be celebrated in what has been a sustained period of hardship for many in our sector.

Winery inventory pressures continue to be acute, particularly in red wine, and two smaller vintages in a row have done little to ease the current imbalance of supply and demand. The consequences for red grape prices, particularly in the warm inland regions, have been disastrous for grower profitability. The ripple effects are still being felt across the sector, with difficult decisions faced by some.





One Sector, One Plan

In response to these complex issues and ongoing challenges, Wine Australia and Australian Grape & Wine led the process of developing a *One Grape & Wine Sector Plan* over the past 18 months, to capture the sector's most pressing needs and priorities in a dramatically changed environment. After extensive consultation with and feedback from the sector and an iterative process of refining the wide-ranging responses into a cohesive document, the *One Grape & Wine Sector Plan* is now complete and publicly available.

We are proud of this document; it offers a reset opportunity that we all need to lean into. The Plan aims to provide clarity around roles, responsibilities and the shared priorities that the sector needs tackled, but it's important to note the outcomes we seek will require ongoing cooperation and work by all stakeholders. The *One Grape & Wine Sector Plan* is about supporting a more profitable, fit for purpose and hopefully unified sector in the months and years ahead.

For Wine Australia, the priorities identified through the *One Grape & Wine Sector Plan* are aligned with our mandate in supporting the sector's profitability and sustainability through research and innovation (R&I), market development and regulation. They will inform our forthcoming Strategic Plan 2025–30 and the investments we make in coming years.

The Plan has already provided valuable context to the Agriculture Minister's Viticulture & Wine Sector Working Group (comprised of Wine Australia, Australian Grape & Wine and Federal and State Government agricultural departments), formed in recent months to address the urgent profitability and oversupply issues in a nationally coordinated way. The Department of Agriculture, Fisheries & Forestry (DAFF) recently provided an additional \$3.5 million for a range of initiatives recommended by the Working Group.

This DAFF *Grape and Wine Sector Long-term Viability Support Package*, announced in June, was provided to Wine Australia to implement recommendations of the Viticulture and Wine Sector Working Group and will enable fast-tracking of some of the projects identified as priorities through the *One Grape & Wine Sector Plan*. These include a national vineyard register, trade and market development activities and enhanced consumer insights relating to lighter and alternative wine styles. Early progress on some of these is covered in this report.

Market Development

The past year has seen the development and launch of the refreshed Australian Wine brand, with input from sector representatives via the Joint Marketing Group. Sustainability messaging from Sustainable Winegrowing Australia is being built into the brand, which is designed to work in concert alongside existing company and regional brands. The new Australian Wine brand provides a consistent, overarching look and feel built around Australia's natural wonders, ancient landscapes, and the innovative and adventurous spirit of our wine producers.

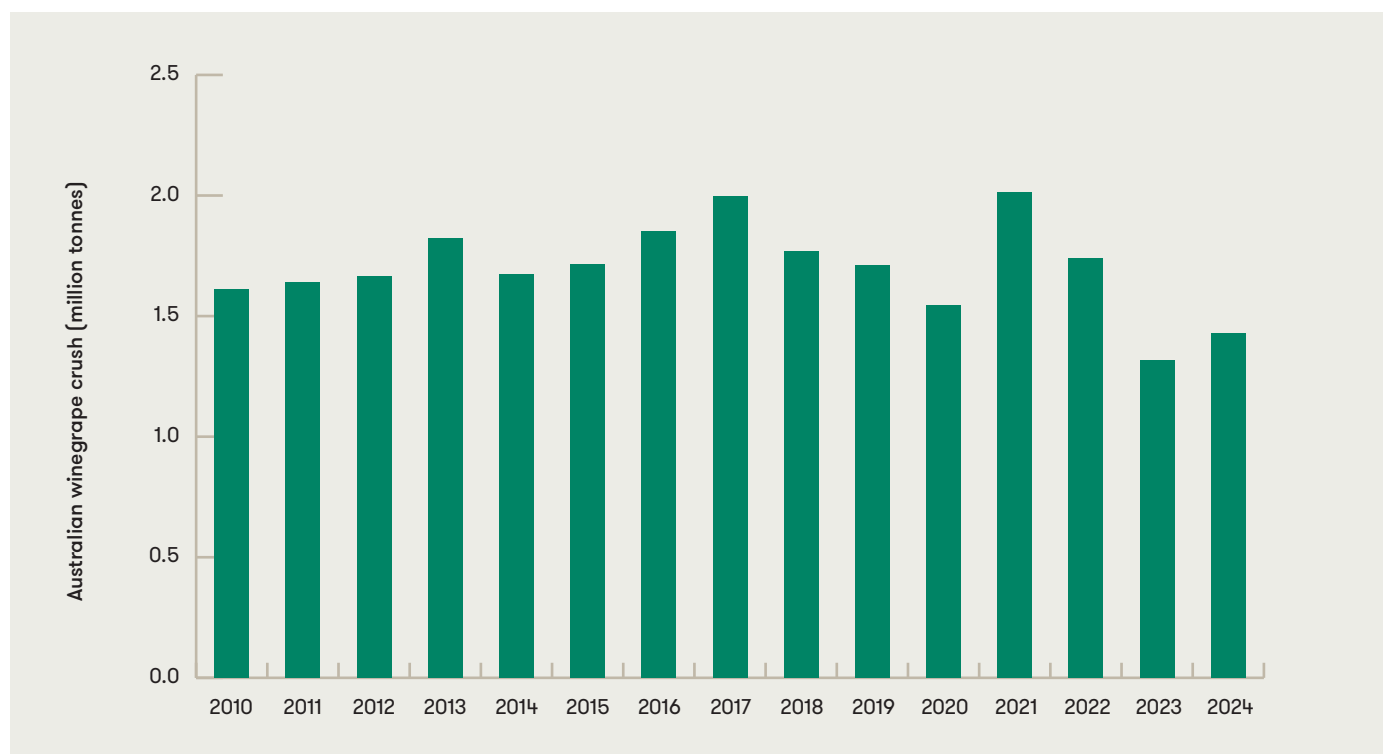
The refreshed branding was introduced in late May at our Vinexpo Hong Kong pavilion, with great buzz and excitement around the Australian presence there and overwhelmingly positive feedback on the visual impact of the brand. We now turn our attention to updating many legacy assets, incorporating key brand messaging into ongoing communications.

With a significantly reduced marketing budget, Wine Australia has continued to provide value to the sector through partnerships with government agencies such as Austrade, hybrid events and online platforms such as CONNECT. Our targeted capability building programs to assist with market entry are aligned with relevant insights via the interactive online dashboards for wine businesses to use in their own decision making. Our market insights team is central to providing the evidence and data that we need to underpin marketing decisions for the Australian wine sector in such a dynamic environment.

We will continue to allocate resources based on market opportunity. Accordingly, Wine Australia's Market Entry Program in North America has been discontinued in favour of roadshows supporting existing exporters to build Australia's category footprint across multiple US cities. We anticipate this initiative expanding over coming years as we target activations in many smaller, yet attractive cities.

This was a difficult decision which involved the downsizing of the in-market team, but we are committed to adjusting our marketing efforts according to need and efficacy.

Figure 1: Australian winegrape crush over time



Research & Innovation

Throughout 2023–24, Wine Australia has continued to build on transformative work in the research and innovation space. It is not easy to overhaul long-held expectations and ways of working, but our increased focus on co-design with sector and research partners to deliver greater impact for levy investment is working effectively with research providers, including the Australian Wine Research Institute (AWRI). Two of the initial Impact projects have already been successfully transitioned into a CRC-P funded initiative and the AWRI now have a suite of seven additional Impact projects at various stages of funding and progress. We look forward to sharing more about the outcomes from these in due course.

In meeting both Government funding requirements and levy payer expectations, we will be expanding this more transparent, accountable, staged model of research investment to other sector opportunities. Our Extension and Adoption investment is also evolving to a nationally coordinated program run by Wine Australia in conjunction with a range of delivery partners. The result will be research that better delivers on identified sector needs and priorities, and outcomes that are tailored to end users and delivered locally.

The past year has also seen progress in resourcing and implementing the ESG investment plan as part of the new Extension & Adoption (E&A) program, as well as the recent commencement of the National Vineyard Register project to improve and coordinate supply data across our many and diverse regions.

In agtech progress, testing of a fully autonomous, multi-tasking robotic vineyard tractor under Australian conditions has been underway this year, demonstrating newly automated tasks and providing insights into vineyard operations through

advanced data analysis. This is one example of several trials in a program to support the transition to autonomy within the sector.

A portfolio of projects across biosecurity, grapevine breeding, lower alcohol wines, data sharing and wine production and quality continue, alongside investment in a range of regional leadership and development programs that build and disseminate the skills, knowledge, diversity and expertise that is critical for the future of the sector.

At the beginning of the people pipeline, Wine Australia has invested in a comprehensive Careers in Viticulture and Wine website, developed as a direct response to feedback from the grape and wine sector. Launched earlier this year, the site brings together an array of valuable, age-appropriate and national school curriculum-aligned resources for students and teachers seeking information about the diverse range of careers available in the sector, as well as presenting opportunities for the sector to connect with local and regional schools.

Achieving long-term sector profitability, resilience and sustainability means we must have the best people at the table. A vibrant future demands we look to broaden the expertise, experience and perspectives of those at decision-making tables across the value chain. The sector has clearly identified the need for greater gender equality and diversity as a priority, and Wine Australia is supporting a study to provide baseline data and develop actionable recommendations and practical tools to assist in our sector's meeting of national guidelines and Government expectations.

Support of research and innovation is critical to our sector's longevity, profitability and sustainability and Wine Australia continues to invest heavily in a wide range of projects and partnerships to deliver the knowledge, skills and tools to meet existing and emerging challenges.

Regulation and market access

Wine Australia continues to provide key inspection, verification and advice functions to support the sector in complying with regulatory requirements for the production, sale and export of Australian wine, ensuring our global reputation through label integrity and adherence to food standards and labelling laws.

During the 2023–24 year, Wine Australia cancelled two export licences as a result of ongoing Label Integrity Program-related investigations. These actions demonstrate our commitment to protecting the reputation of the Australian grape and wine sector in all markets. The fact that we are rarely required to resort to such measures indicates the prevailing culture of compliance within the grape and wine community.

Working alongside Australian Grape & Wine, Austrade, the Department of Agriculture, Fisheries and Forestry (DAFF), Department of Foreign Affairs and Trade (DFAT) and a range of international bodies, Wine Australia has supported international engagement during the past year, including to progress the side letter on trade in wine included in the Australia–India Economic Cooperation and Trade Agreement (AI–ECTA), continuing to support free trade agreement negotiations between Australia and the European Union, and identifying areas to harmonise the international trade of wine.

Mixed fortunes in vintage and export results

The 2024 vintage was estimated to be 1.43 million tonnes across the country, nine per cent higher than 2023, but still well below the 10-year average. White varieties and cool-

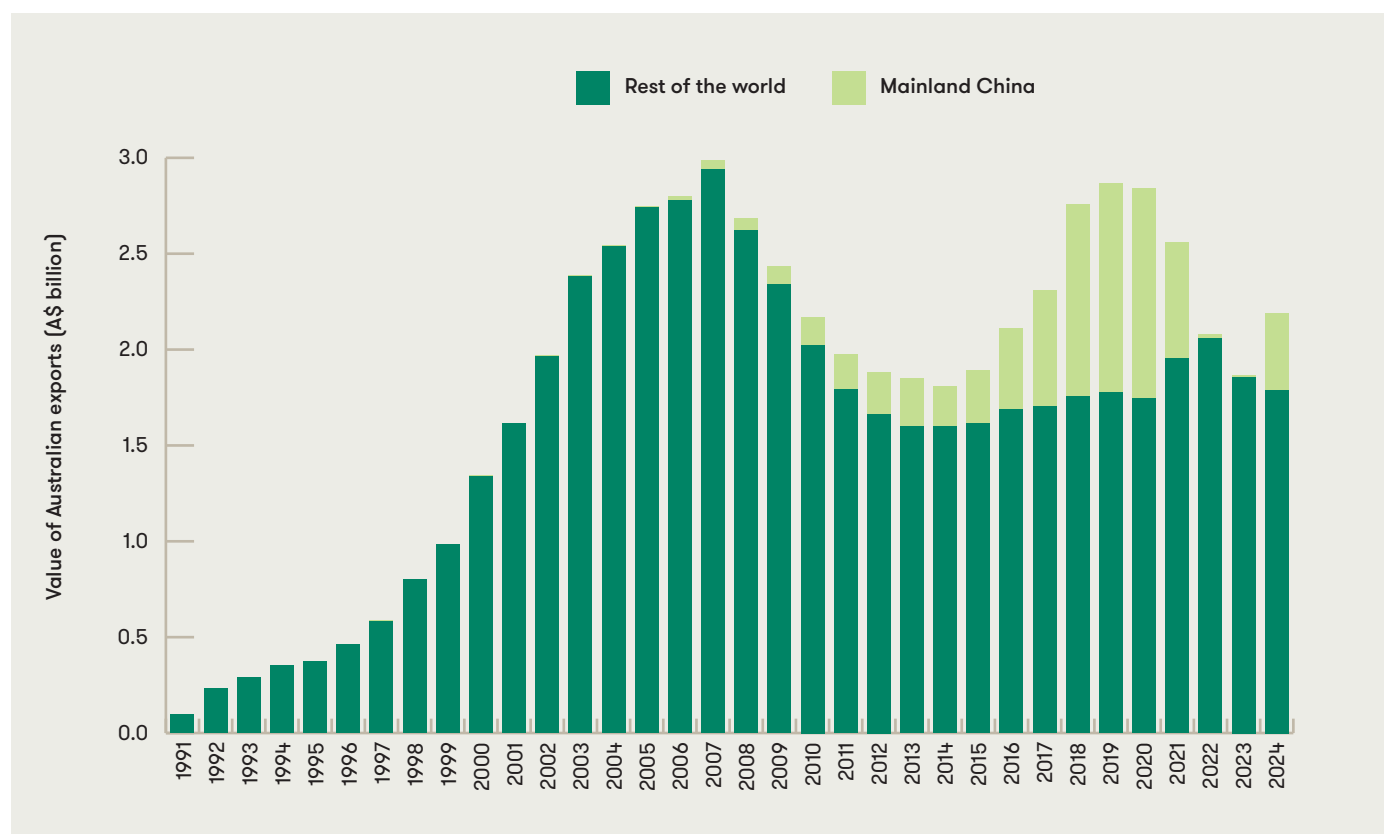
climate regions did comparatively well in 2024, emphasising what looks more like a two-speed sector every year and also highlighting the importance of reliable, real-time supply data to enable growers to make informed decisions.

The Grape Price Indicator dashboard was delivered late in 2023 and provides a current summary of the key drivers of inland winegrape prices in Australia, as well as an indication of the forecast direction for grape prices ahead of the next vintage.

There was a positive overall result for Australian wine exports in 2023–24 with value up by 17 per cent to \$2.2 billion, the highest level since the 12 months ended September 2021. The growth in value was due to a surge in exports to mainland China after duties imposed on Australian bottled wine were removed in late March 2024. Exports to mainland China grew by \$392 million to reach \$400 million in 2023–24. Despite this strong growth, the current level of Australian exports to mainland China is still a small fraction of the historical peaks achieved to the market and it is very unlikely that Australian wine exports will return to those previous peaks in the short to medium term.

In comparison, the value of exports to the rest of the world (excluding mainland China) declined by 4 per cent to \$1.8 million. Global trading conditions remain very challenging, with wine consumption continuing to fall in many markets around the world due to moderation trends related to health and wellness concerns and compounded by inflationary pressures and wider economic uncertainties. There are also enduring problems in shipping, with a shortage of ships globally and freight and charter rates on the rise.

Figure 2: Value of Australian exports over time



Customer engagement

As part of the customer-centric approach implemented under CEO Martin Cole since his commencement in late 2021, the customer engagement team has been developing more data-driven and streamlined communications. This ongoing work is a process of continuous improvement, with attention now turning to the website and other modes of engagement with our diverse range of stakeholders.

Wine Australia continues to engage and work with customers throughout the country to inform strategy. Our Board held a meeting in the Clare Valley, and we had a presence (through the CEO and relevant senior leadership team members) at key international events such as ProWein and VinExpo and regional forums in the Riverland, Riverina and Murray Valley.

The extensive One Grape & Wine Sector Plan consultation took place online and in regions across the country throughout the year, and the CEO also maintains and oversees regular engagement opportunities and conversations with key partners, stakeholders and customers.

The customer engagement team has played an important role in delivering the *One Grape & Wine Sector Plan*. Under new GM Shirley Fraser, the refreshed team is focussing on integrating more closely with Wine Australia's core functions and engaging in region to strengthen connections and relationships through channels such as the regional and agtech programs, extension and adoption efforts and the States & Regions forum.

Business development and strategic investment

In a resource-limited environment where levies are declining due to reduced crush volume, it is imperative that we seek opportunities to drive co-investment and collaboration.

Wine Australia continues to explore a range of partnership and leveraging options and has enjoyed some success with external grants over the past two years. Collaborative projects and opportunities in areas such as packaging innovations (to replace carbon-intensive glass bottles), CCA post disposal and more are underway or in the pipeline.

People and culture

Wine Australia continues to embed our customer-centric culture, which places customers at the heart of everything we do. Over the past year, we delivered a leadership program for our current and future leaders which focused on leading self, others and customers.

Wine Australia has undergone some relatively rare staff turnover in the past year, with a number of internal promotions taking place to fill vacancies across the organisation. Corresponding recruitment to backfill has been required to bring our lean and hard-working team back to baseline.

As part of our Diversity, Equity and Inclusion action plan, a First Nations cultural awareness session, held in conjunction with Munda Wines, was a highlight of the year for staff. Staff engagement remains high, with recent Employee Survey results confirming strong levels of commitment to both the sector and the organisation, along with increasing confidence in leadership and management.

The organisation

In 2023–24, Wine Australia ended the financial year with an operating surplus of \$4.6 million, compared with a deficit of \$5.6 million in 2022–23.

This surplus reinstated reserves drawn down in the previous financial year and was driven by a combination of income and expenditure variances, including the collection of previous year's levies and Commonwealth matching, the increase in China exports in the last quarter, and therefore the export wine charge income, and the advance payment of \$4.0 million to AWRI funding in 2022–23 for 2023–24 E&A activities and R&D projects.

Further analysis of variances to budget are outlined in the Financial Statements Note 6.2.

Thanks

In closing, I would like to thank CEO Martin Cole for his leadership of the *One Grape & Wine Sector Plan* and the customer engagement focus he has brought to everything Wine Australia does. My thanks also to the senior leadership team and my fellow Directors for all their work and support, particularly as the Board looks towards a refresh later this year. I'd also like to acknowledge the hardworking and relatively small global Wine Australia team for their dedication throughout this continuously challenging period.

Wine Australia and the Board remain committed to investing your levies and Government funding to support a resilient sector via initiatives in sustainability, profitability, product innovation and price and supply data transparency. Together, and with the help of the *One Grape & Wine Sector Plan*, the Australian grape and wine community will prevail.

Our role and strategic priorities

Wine Australia is governed by the *Wine Australia Act 2013* (the Act).

Our role under the Act is to:

- coordinate or fund grape and wine research and development and facilitate the dissemination, adoption and commercialisation of the results
- control the export of grape products from Australia, including through the use of a Label Directory containing digital colour images of grape product labels and other information to allow persons to identify potential infringements of intellectual property rights
- promote the sale and consumption of wine, both in Australia and overseas
- to enable Australia to fulfil its obligations under prescribed wine-trading agreements and other international agreements, and
- to support the growth of international wine tourism, and services, products and experiences that complement international wine tourism.

Our five-year Strategic Plan 2020–25 and our Annual Operational Plan 2023–24 outline our key investment priorities, which are guided by the Australian grape and wine community's priorities.

In Vision 2050, the Australian grape and wine sector identified its vision:

Australian wine: enjoyed and respected globally

and its goal:

Profitable, resilient and sustainable winegrape and wine businesses.

This vision and goal establish our long-term aims and, with the Australian Government's Priorities and National Agricultural Innovation Priorities, inform our strategies – how we will invest for the sector's success.

Our strategies are to:

1. **Market Australian wine** to increase the demand and the premium paid for all Australian wine
2. **Protect the reputation of Australian wine** by maintaining the reputation and integrity of Australian wine in all our markets, including the domestic market
3. **Enhance grape and wine excellence** with research outcomes that allow grapegrowers and wine producers to excel
4. **Grow sustainable environments** by providing knowledge and tools to support growers and producers in implementing environmental stewardship practices, and
5. **Build business sustainability, excellence and leadership** by accelerating then adoption of research outcomes and best practice.

Through our strategies we seek to foster and encourage a prosperous Australian grape and wine community by investing in research and innovation, building markets, disseminating knowledge, encouraging adoption and ensuring compliance.

To achieve these outcomes, we will collaborate with our marketing and other like-minded partners on international engagement. These partners include wine businesses, Australian Government agencies such as Tourism Australia and Austrade, regional associations, state governments and other RDCs with market development responsibilities.

The Australian Government is a co-contributor of R&I funding. We also work closely with the Australian Government to enhance market opportunities and reduce barriers to trade.

Our research providers include the Australian Wine Research Institute (AWRI), the Commonwealth Science and Industrial Research Organisation (CSIRO), Charles Sturt University, and other universities and state agencies.

We invest with other RDCs in cross-sectoral collaborative research to deliver R&I benefits to the broader community.

Our governance and operations seek the best possible return on the investment of our R&I, marketing and regulatory funds and comply with the Government's Performance Principles for regulatory authorities.

In 2022, the Australian grape and wine sector, through the Boards of AGW and Wine Australia, identified the need to develop a new collective strategic plan, focused on addressing nearer-term sector challenges through to 2030. Consultation across the sector and development of the *One Grape & Wine Sector Plan* took place across the 2023–24 year, with the final Plan launched on 2 August 2024.

The *One Grape & Wine Sector Plan* will inform Wine Australia's 2025–30 Strategic Plan and ensure that Wine Australia's operational priorities remain fit-for-purpose and address the significant challenges being felt across the sector.

A still life photograph with a warm, artistic feel. In the foreground, a light-colored wooden cutting board with a prominent grain pattern is shown. A hole is cut into the board, and a thick, white plume of smoke or steam rises from it, drifting towards the right. To the left of the board, a small, cylindrical wooden cup or container sits on a dark surface. The cup has a smooth, light-colored body and a darker, possibly charred or stained, rim. The background is dark and out of focus, creating a sense of depth. The overall lighting is soft and directional, highlighting the textures of the wood and the movement of the smoke.

Activities and achievements

Strategy 1

Market Australian wine

Increasing the demand and the premium paid for all Australian wine remains the key objective of our marketing and market development initiatives.

Problematic geo-political events and economic pressures have continued throughout the 2023–24 financial year, impacting on consumer and market sentiment and leading to softening demand for wine globally. Concurrently, broader wellness and moderation trends have led to reduced consumption while longstanding global structural oversupply of wine, particularly at commercial price points, has not diminished.

The improved Australia-China relationship raised hopes of further and sustained growth in exports to that market. However, market diversification remains a strategic imperative and we acknowledge that more needs to be done to protect and grow the footprint of Australian wine globally.

Notwithstanding the challenges, we have worked diligently with the resources available to deliver a suite of in-person, virtual and hybrid activities tailored to meet the needs of our customers and geared toward building engagement for Australian wine to deliver commercial outcomes.

These efforts are broadly reflected in the 2023–24 measures of success.

Our activities can be grouped into the following areas:

1. **Insights**
2. **Connections**
3. **Capability**

Insights

The 2023–24 year has seen a focus on generating and sharing relevant insights with the sector to enable better decision making on market attractiveness and opportunity, consumer wine drinking motivations and behaviours, and ultimately to inform prioritisation of resource investment to meet our objectives of market diversification and intensification now and into the future.

Examples of this include:

- The establishment of a cross-sector Consumer Insights Advisory Group to act as a vehicle for research prioritisation and information dissemination.
- The development and evolution of a suite of dashboards such as the '[Market Explorer](#)' available to all levy payers as a tool to assess market opportunities determined through a mix of quantitative and qualitative market insights.

Specific approaches tailored for each market will continue to be informed and refined by these category and consumer insights, direct in-market learnings, consultation with the cross-sector Joint Marketing Group (JMG) and alignment with both customers and other delivery partners including State and Regional Associations, State Governments and Austrade.



Connections

Success in the wine sector is built on trusted and enduring relationships. Our focus remains facilitating and creating both in-person and virtual connections across the sector and markets to build awareness of and preference for Australian wine.

In concert with the JMG, 2023–24 has seen the development and delivery of an evolved ‘Australian Wine’ brand. We remain committed to building a collective and defensible Australian positioning that is based on the rich regional and individual brand stories that make Australia unique and make our wines adventurous, by nature. The refreshed positioning was introduced at VinExpo Hong Kong in May 2024 and received very positively.

Wine Australia will maintain direct in-market representation in the United States, Canada, United Kingdom, Japan and China and continue to work with trusted partners to deliver market development activations in other markets throughout the world.

A combination of in-person and virtual activations over the past year included:

- Re-establishing the in-bound visits program with the help of the Federal Government’s Agricultural Trade and Market Access Corporation (ATMAC) grant
- ProWine Mumbai (with Austrade)
- Canada ‘new to market’ roadshow
- Australian trade tastings (London, Manchester and Edinburgh)
- Virtual masterclasses (State and/or Regional themed)
- Wine Paris
- ProWein (Dusseldorf)
- Nordics roadshow
- Texsom (USA)
- Grand tasting Tokyo
- Grand tasting Seoul
- Vietnam roadshow (with Austrade)
- VinExpo (Hong Kong)
- Collaboration Group^{1*} activations to promote Australia’s premium produce in Thailand, South Korea, Vietnam and Indonesia.

In late 2023, Wine Australia conducted an extensive survey of key North American importers and distributors to ascertain how we could better support growth opportunities for Australian wine within North America.

A consistent theme in the results was the need to invest in trade and consumer-facing activities that support existing exporters by driving trial and ideally, aligning with retail partners to deliver commercial outcomes. There was also strong and consistent feedback that the opportunity should look at markets across the region where message ‘cut-through’ could be better achieved with the scale of investment available.

As a result, Wine Australia has concluded the current Market Entry Program (MEP) that has facilitated over 200 wineries entering the market since 2015, with cumulative orders approaching \$AU10 million. In its place, support will shift toward Roadshow activities that profile wineries with existing distribution within North America.

Australian Wine Connect has been remodeled to deliver better business matching outcomes and support increasing levels of in-market activations. The digital platform is now free for all export-ready wineries.

Capability

Education remains a core part of our marketing efforts as it helps build greater knowledge among trade, media and consumers, cementing Australia’s position as a source of diverse, high-quality wines made by interesting and engaging people who bring modern thinking to Australia’s ancient lands.

Wine Australia’s Education Development Managers continue to engage with leading educators and run trainings and workshops for on- and off-premise customers around the world.

Throughout the past year, hundreds of formal and informal – virtual and in person – events have been delivered across 28 countries, including a “train the trainer” education session utilising our Australian Wine Discovered content and reaching over 700 customer-facing employees from the retail monopoly in Quebec.

Capability building also extends to assisting wine businesses with ambition to expand their distribution and diversification efforts. Working across Federal and State Governments, we leverage our collective expertise to build greater understanding regarding the practical necessities that are required when assessing market opportunity and its suitability to a potential exporter’s business model and capabilities.

Examples of this activity include:

- China re-entry webinar series
- Pre-travel briefings for major tradeshow and roadshow participants, covering
 - local society, cultural values and business culture
 - understanding the business environment
 - overcoming the cultural barriers to doing business in market
- Explore programs
- Dissemination of information relating to changing market access requirements

As we embark on the final year of the current Strategic Plan, we will also work to embed key outcomes from the *One Grape & Wine Sector Plan* into our short-term activities and build the foundations that will guide 2025–30’s strategic directions.

1 Wine Australia, Dairy Australia, Meat and Livestock Australia, Seafood Innovation Australia, and Horticulture Innovation Australia

Strategy 1: Market Australian wine

Strategic Plan measure of success	2023–2024 Annual Operating Plan measures of success	2023–24 Achievements
85 per cent of Tier A ² influencers actively engage with Wine Australia.	<ul style="list-style-type: none"> At least 85 per cent of Tier A influencers actively engage with Wine Australia through regular contact and outreach via Australian Wine Connect (and associated) virtual events, Australian Wine Discovered, retail partnerships, trade market programs (i.e. market entry and explore programs) and partnerships (Austrade and FIAL) as well as communications and social media channels Growth in downloads of Australian Wine Discovered resources, assets and tools on (year on year). Increase in positive media sentiment in media coverage and other published content on Australian wine (year on year). 	<ul style="list-style-type: none"> Tier A engagement reached 82% by June 2024. AWD downloads declined by 40% for the year. The decline mainly took place in the second quarter due to significant download activity happening in the same quarter in the previous year resulting from several updates to content and new translated modules. Media coverage of Australian wine was 93% positive and neutral sentiment, the same as the previous year.
The perception of Australian wine increases in Canada, China ³ , the UK and the USA by 5 per cent in each market.	<ul style="list-style-type: none"> As measured through the annual Wine Intelligence survey, average consumer perception of Australian wine increases across Canada, the UK and USA by 5 per cent (from 8.2 to 8.6) 	<ul style="list-style-type: none"> Due to a prohibitive increase in cost, the source of this measure has changed and therefore a new baseline has been set. The results of this year's quality perception survey (Source: YouGov) were: 7.44 in Canada, 7.51 in the UK, and 7.14 in the US – resulting in an average of 7.36 out of 10.
Vision 2050 has set ambitious targets for the sector. Our marketing activities will contribute to achieving these and we will regularly report progress, acknowledging that sales results across markets are the responsibility of exporters.	<ul style="list-style-type: none"> Increase in bottled FOB average value in Canada, the UK & USA (year on year). Export value growth in markets where a collaborative agreement with Austrade exists (year on year) – Taiwan, Thailand, South Korea, Vietnam, Indonesia, Malaysia, Singapore and Japan. Year-on-year increase in the number of exporters to key markets. 	<ul style="list-style-type: none"> The average value of bottled wine exports to the UK and Canada have increased by 2 and 4 per cent respectively, in comparison to the FY23 baseline. Average value has declined by 1 per cent to the US. There were mixed results in export value to the “Austrade” markets, with Indonesia, Japan, Malaysia, Singapore, and South Korea reporting declines. Export value increased to Taiwan, Thailand, and Vietnam when comparing to the FY23 baseline. Results reflect the global challenges facing the wine category with all major producing countries suffering from softening demand. There were more exporters to select APAC markets – Japan, Taiwan, Vietnam, and Indonesia all increased in number of exporters compared to the FY23 baseline. The number of exporters to the USA, Canada, the Nordics, South Korea, and Thailand decreased. The number of exporters to the UK stayed the same year-on-year.
More than 90 per cent of our partners who participate in a Wine Australia promotional activity are satisfied or very satisfied with the activity.	<ul style="list-style-type: none"> Wineries which participate in Wine Australia marketing campaigns report a 75 per cent or higher satisfaction rating. Wineries that use the Export Ready Hub report a 75 per cent or higher value rating for their business. 	<ul style="list-style-type: none"> Wineries participating in marketing campaigns have a satisfaction rating of 92 per cent. Value rating of the Export Ready Hub was 88 per cent.

² Wine Australia has identified those people in the wine trade and wine media who have the most influence on purchasing decisions as Tier A influencers.

³ Since the duties imposed on bottled exports to China in November 2020, the focus has been on other markets

Strategy 2

Protect the reputation of Australian wine

In 2023–24, Wine Australia successfully maintained a regulatory framework that promoted the quality and integrity of Australian wine.

We continued to provide the Export Label Image Search System (ELISS) – a publicly accessible library of labels that can be searched to identify potential breaches of intellectual property rights. We also maintained and continuously improved the Licensing and Approval System (WALAS), through which the export controls are administered. There were no material interruptions to either online system.

Access to certain export destinations can be impeded by restrictive wine labelling, wine composition, wine production and wine certification requirements. Differences between the requirements that apply in Australia and the destination market can result in the need to produce specific wines for particular destinations, or to present wines with labels designed specifically for that market. In each case, exporters incur considerable additional expense. To assist exporters, we publish guides for the technical requirements of 40+ major export markets. These guides, updated continuously, contain detailed information on duties and taxes, wine standards, labelling requirements and import certification matters.

The international trading environment is becoming increasingly complex and uncertain. In order to mitigate impact on the wine sector, Wine Australia, together with colleagues from the Australian Wine Research Institute, Australian Grape & Wine and the Department of Agriculture, Fisheries & Forestry, continued to pursue a strategy of engagement with key international fora, seeking to understand, and pursue harmonisation or mutual recognition of international wine production, labelling and compositional requirements.

In May 2024, we participated in engagement with Indian Government Ministries to drive activities under the Joint Dialogue and associated working groups. This participation is in furtherance of initiatives committed to via a side letter incorporated in the Australia–India Economic Cooperation and Trade Agreement (AI-ECTA) on trade and production of wine, signed on 30 March 2022, which resulted in the parties committing to identify opportunities to collaborate on technical and regulatory matters pertaining to wine. AI-ECTA saw a third staged tariff reduction for bottled Australian wine with a cost, insurance and freight (CIF) value of more than US\$5 per 750ml bottle on 1 January 2024.



In June 2024 we provided trade negotiators with a compilation of technical measures that could be addressed during negotiations between Australia and the United Arab Emirates with a view to facilitating enhanced wine trade into the UAE.

In the past year, we also made submissions in relation to the proposed wine law reform in the United Kingdom with a view to facilitating enhanced wine trade into the UK.

Except for a limited number of circumstances, wine sold in Australia or exported from Australia must comply with the Australia New Zealand Food Standards Code [the Code]. The Code identifies various limits on wine components, including those arising from the application of permitted agricultural chemicals in the vineyard, and others related to approved winery additives. In 2023–24, we commissioned analysis of 100 samples from a variety of regions to verify compliance with the Code. All wines demonstrated compliance.

The Label Integrity Program is designed to monitor and safeguard the accuracy of statements made on labels about the provenance of Australian wines. Wines are largely differentiated from each other according to their region, variety and vintage so provenance claims are integral to the marketing of Australian wine. To substantiate claims made on labels of the origin of a wine, records must be kept throughout the wine supply chain. We conducted 186 in-person, on-site audits of these records based on an assessment of risk, focusing on records relating to wine regions and varieties that are in particular demand.

During the 2023–24 year, Wine Australia cancelled the export licences held by two separate companies as a result of ongoing Label Integrity Program-related investigations. In one circumstance, we considered the breach to be of such seriousness that we also refused a licence application from a company believed to be subject to a significant degree of influence and control by individuals involved in the former company. These actions demonstrate our commitment to protecting the reputation of the Australian grape and wine sector. The fact that we rarely resort to such measures indicates the prevailing culture of compliance within the grape and wine community.

In response to the Government's Statement of Expectations for Wine Australia, Wine Australia finalised its Statement of Intent, which includes reference to the Regulator Performance Guide (the Guide). 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 the Guide and the Statement of Expectations.

Wine Australia's Statement of Intent is set out below.

- Wine Australia is committed to fulfilling its regulatory functions in a way that upholds the reputation of Australian wine whilst 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 engaging meaningfully with Australian Grape & Wine (AGW) as well as the relevant state, territory and regional representative bodies, DAFF, 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.
- Wine Australia is committed to engaging in consultation and communication with the bodies listed above 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 regulatory obligations are delivered in accordance with the principles of best practice regulation as outlined in the Guide (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 ensuring its regulatory processes remain effective and efficient. Where appropriate, Wine Australia implements alternative methods of ensuring compliance (such as education or information campaigns) to reduce the regulatory burden and costs to stakeholders.
- 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 reducing compliance costs within the context of its regulatory obligations and continues to review its policies and procedures regularly to ensure it considers the impact on business and the community.

In accordance with the Australian Government Charging Framework, which incorporates the Cost Recovery Guidelines, Wine Australia reviewed its export fees in 2023–24 to ensure that the cost associated with fulfilling its statutory regulatory functions were proportionate to the fees charged in accordance with its Cost Recovery Implementation Statement (CRIS). This resulted in amendments being made to Wine Australia's CRIS.

Strategy 2: Protect the reputation of Australian wine

Strategic Plan measure of success	2023–2024 Annual Operating Plan measures of success	2023–24 Achievements
Achieve the six key performance indicators in our Regulator Performance Framework.	<p>We will measure and report our performance in accordance with the Department of Prime Minister and Cabinet's Regulator Performance Guide:</p> <ul style="list-style-type: none"> Continuous improvement and building trust – regulators adopt a whole-of-system perspective, continuously improving their performance, capability and culture to build trust and confidence in Australia's regulatory settings Risk based and data driven – 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, and Collaboration and engagement – regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way. 	<ul style="list-style-type: none"> We have demonstrated continuous improvement by reviewing and improving our Licensing and Compliance Guide and our Export Market Guides. We continue to focus resources on high-risk producers and exporters, with higher risk producers and exporters being inspected for LIP compliance more regularly than others, and high-risk exporters being required to routinely verify label claims for exported products. The demand for wines of certain variety and origin is contemplated in assessing the risk of misuse of varietal and GI claims. An anonymous portal is maintained through which alleged incidents of non-compliance can be anonymously reported. All allegations of LIP non-compliance are investigated using coercive and compulsory statutory powers. These matters are reported upon in our Annual Report, consistent with the Regulator Performance Guide.
Establish a benchmark for consumer trust of Australian wine label claims through a customer survey in our five largest markets – Australia, China, the UK, the USA and Canada.	<ul style="list-style-type: none"> We will use the results of a consumer survey by Wine Intelligence to establish the benchmark for consumer trust by measuring how many Australian wine drinkers agree with the statement "I trust the authenticity of these wines" in key markets. 	<ul style="list-style-type: none"> Benchmarks set in 2023: <ul style="list-style-type: none"> Australia – 87% UK – 88% USA – 83% Canada – 86% China (2022) – 90% This item is managed by Wine Australia's Market Insights team as part of a broader ongoing program of work.
Having assessed three new traceability technologies, including blockchain, and their being available to the sector for adoption.	<ul style="list-style-type: none"> We will assess at least one new traceability technology and communicate the results, including to the Wine Industry Technical Advisory Committee. 	<ul style="list-style-type: none"> New traceability technology pertaining to ingredient and energy labelling has been presented and discussed by the Wine Industry Technical Advisory Committee. We have presented at a webinar in relation to traceability technology and interplay with new laws commencing imminently globally in relation to compulsory labelling.
Deliver streamlined regulatory process through cooperation with counterpart regulators in import markets.	<ul style="list-style-type: none"> We will engage with counterpart regulators in import markets to identify opportunities to cut red tape for our exporters and provide case studies in our Annual Report highlighting successes achieved through such engagement. 	<ul style="list-style-type: none"> We have engaged with regulatory counterparts from Argentina, Canada, Chile, the European Union, Georgia, New Zealand, South Africa, the United Kingdom, the United States and Uruguay to identify opportunities to cut red tape for our exporters. We have also engaged with the Governments of Brazil, China, Korea and Japan via DAFF's Wine Policy Unit.

Strategy 3

Enhance grape and wine excellence

This strategy focuses on building grape and wine excellence, which supports our overarching strategy of helping Australian wine be enjoyed and respected globally, and building profitable, resilient and sustainable winegrape and wine businesses. This year has seen an increased focus on application of 'co-design' principles for new investment initiatives. A participatory process that goes beyond consultation, it aims to build and strengthen an equal collaboration between people affected by a problem or opportunity (e.g. the end users of the solutions such as viticulturists) and those attempting to resolve it (e.g. the researchers, or suppliers, or both).

Our long-term investment in grapevine breeding with the CSIRO to better understand the challenges and opportunities that germplasm supply, clonal selection and grapevine breeding present has evolved. Key gene targets have been identified and a pathway for DNA-free gene editing a number of elite cultivars successfully established. We have capitalised on our prior investments in plant breeding with CSIRO through the ongoing field evaluation of second generation, conventionally bred, disease-resistant cultivars at two mirror sites in NSW. We continue to make good progress towards the establishment of a National Grapevine Collection to address the closing of the CSIRO and SARDI germplasm collections.

The three-year project partnership between Wine Australia, NSW Wine Industry Association, Riverina Wine Grape Growers Association, NSW Department of Primary Industries (NSW DPI), Charles Sturt University and Food Innovation Australia (FIAL) to address productivity and profitability challenges facing winegrape growers in inland regions has made progress. One output from the partnership is the NSW 'weather as a service' project, which was co-designed with the sector in response to the decommissioning of physical weather stations reliant on the 3G communication network, to be deactivated in 2024. Hyper-local weather information is critical for growers to make decisions on regarding the

timing of sprays and disease mitigation activities. The new system uses modelled weather data and will incorporate existing pest and disease models for downy and powdery mildew and Botrytis into an alert engine that aims to provide growers 72 hours forewarning about climatic conditions that are conducive to pest and disease outbreak. Trials of the platform will be undertaken in Griffith, NSW followed by growers in Mudgee, Orange and the Southern Highlands. The potential exists to roll this out as a national platform capable of accommodating regional disease models in the future. The project is one example of our strong focus on delivering value for the inland wine production systems.

A new investment process focused on continuously improving impact and value for levy payers has been implemented by Wine Australia and the Australian Wine Research Institute (AWRI), one of our major research providers, over the last two years. The 'Impact' process approach is customer-led and increases the focus on implementation and adoption of R&D in addition to investing in fundamental R&D. The process is managed by Wine Australia and AWRI specialists who have trained both in R&D and innovation and includes extensive engagement with the sector, including grape growers, wine makers, supply-chain partners, regulators, and customers, depending on the commercial needs of the initiative.

An initiative may have multiple stages of funding, but funding is only provided if commercial insights and R&D insights indicate sector feasibility, viability, and desirability. Initiatives must also attract in-kind or cash commitments from partners to co-invest and leverage levy investments. The process fosters an 'innovation mind-set' to R&D levy investment and helps bridge the challenging gap between fundamental R&D outcomes and commercial adoption by end-users. This impetus to seek co-investment also reinforces the need to develop sustainable funding models going forward where external investment which complements levy investments is actively pursued as the norm by all of our R&D partners.



In partnership with AWRI, levy payers and supply chain partners, we invested in seven pilot projects spanning rapid diagnostics for wine spoilage microorganism *Brettanomyces*, smoke taint risk assessment, novel materials for managing heat/cold stabilisation and removing undesirable sulfur compounds, capturing carbon dioxide from fermentations, and improving flavour and mouthfeel in no- and low-alcohol wines. All projects progressed previous fundamental science discoveries significantly closer to practical application. Five will continue to a second stage, while two allowed significant additional investment to be secured through the CRC-Projects program. For these 'Impact' projects, Wine Australia and AWRI were able to achieve in-kind contributions which almost matched the investment of levy and government cash from Wine Australia – a critical requirement given decreasing levy income. More importantly, it has significantly improved the likelihood of these projects realising outputs that can be used by the sector, through the deep consultation, multi-stage feedback and agility built into the 'Impact' process.

Growing consumer trends and increasingly variable environmental conditions have created a demand for lower alcohol wines. Existing methods for reducing alcohol content in wine, including reverse osmosis, spinning cone columns, vacuum distillation, membrane filtration and heat treatments, face challenges such as capital investment and operating costs and sensory changes in final products compared to traditional wines. Therefore, developing alternative methods that effectively reduce alcohol content while addressing these key challenges is imperative.

A new project with significant co-investment from CSIRO is evaluating the technical and commercial feasibility of their patented technology for producing reduced alcohol wine. This involves fermentative or enzymatic reduction of fermentable sugar in grape juice or must prior to alcoholic fermentation, to create mid-strength wines. It offers growers and winemakers an alternative solution for producing reduced-alcohol wine that integrates seamlessly with existing winemaking practices

and equipment. Ultimately the project aims to enhance the competitiveness and adaptability of Australia's wine sector, by addressing climate-induced challenges such as higher sugar grapes as well as mitigating the financial impact of rising alcohol taxes in key Australian wine import markets.

Wine Australia's Agtech Program continues to broaden the adoption of new technologies into the hands of grape growers and wine producers across the country. As a response to the challenges of accessing reliable and capable labour, especially in more remote wine regions, several trials of autonomous vehicles have successfully demonstrated that this technology is now mature and adoptable. A trial of NZ-based company Smart Machines with their Oxin machine across the growing season of V24 was successfully conducted on Duxton Vineyards' Euston property, NSW. The large, sprawling canopies synonymous with commercial Australian vineyards have driven innovation in the guidance systems of autonomous vehicles, combining LIDAR and Radar systems to navigate safely and accurately whilst performing multiple vineyard management functions.

Off the back of these successful trials, Wine Australia hosted and facilitated a workshop in Mildura themed around the requirements for innovation with autonomy and robotics in the wine sector. Incorporating the perspectives of business owners, vineyard managers and operators from a diverse range of wine businesses across the country, there is a clear direction for innovation in this space that lowers the barriers to adoption and derisks decision-making for investing in autonomy and robotics in the wine sector.

Complementing the Agtech Program, Wine Australia has successfully partnered with Farmers 2 Founders to deliver a tranche of activities focused on the adoption of agtech and the development of regional capability. Funded by the Federal Government's Future Drought Fund this two-year project is expected to deliver around \$1M of value to the Australian wine sector.

Strategy 3: Enhance grape and wine excellence

Strategic Plan measure of success	2023–2024 Annual Operating Plan measures of success	2023–24 Achievements
Four enhanced or new grapevine varieties being available to the sector through plant breeding programs, informed by molecular methods to identify desired genotypic traits such as resistance to powdery and downy mildew.	<ul style="list-style-type: none"> Field-evaluation of the second generation, conventionally-bred, disease-resistant cultivars commenced. New initiatives in DNA-free editing of grapevines progressing, informed by co-design with the sector. 	<ul style="list-style-type: none"> New investment commenced September 2023 with DPI NSW to evaluate second generation varieties at two sites – Griffith (warm) and Orange (cool). Another 159 varieties will be planted in the trial vineyards this year to join the 357 selections already on site. Other ways to evaluate and encourage adoption of conventionally bred scions have been identified. Pipeline for DNA-free editing established at CSIRO. Key gene targets identified in a co-design project in collaboration with the sector
Three new rootstocks being available to the sector through plant breeding programs, informed by molecular methods to identify desired genotypic traits such as improved tolerance to nematodes, phylloxera and soil salinity.	<ul style="list-style-type: none"> Rootstock breeding program allows selection of second- and third-generation, durable, pest-resistant and salinity-tolerant rootstocks for Australian conditions. 	<ul style="list-style-type: none"> Project with CSIRO on track to develop durable phylloxera and root knot nematode resistance, combined with chloride exclusion for salinity tolerance. Initial thoughts for an adoption pathway for both the existing C-series rootstocks and next-generation rootstocks will now be developed into a plan to implement, informed by The Growth Drivers co-design project.

Strategy 3: Enhance grape and wine excellence

Strategic Plan measure of success	2023–2024 Annual Operating Plan measures of success	2023–24 Achievements
Four new or enhanced technologies and processes to improve vineyard efficiency and sustainability being available to the sector.	<ul style="list-style-type: none"> Projects started across priority areas identified in the ESG Investment Plan for the sector. A co-designed project related to digital solutions and data opportunities is started. Outputs delivered as contracted through existing investments. 	<ul style="list-style-type: none"> Some ESG projects focused on vineyard sustainability have commenced and others are in development. The spray diary project is on hold. An RFP to develop a national register of grapevine varieties, clones, rootstocks and propagation assets is being developed. Other possible investments with CSU are also being explored. A new project to pilot Weather-as-a-Service has commenced using a combination of digital and data solutions. Project initiated to identify the opportunities in carbon insetting and to identify areas for future investment.
The supply of genetically diverse and high-health planting material being maintained to the satisfaction of relevant stakeholders.	<ul style="list-style-type: none"> National Grapevine Collection outputs delivered as contracted. Projects commenced to support the development and adoption of a grapevine standard across the propagation supply chain. 	<ul style="list-style-type: none"> Outputs and activities in the NGC coordinator project have been refined as a result of changing priorities and time spent on strategy and reorganising the governance structure in line with stakeholder expectations. Activities to address an outbreak of crown gall disease in the sector highlighted the value of a grapevine standard. An RFP on diagnostics and surveillance of grapevine viruses in propagation assets has been issued, which will deliver key technical information to underpin a standard. Alignment between key stakeholder groups on the governance of a standard is yet to be secured.
Two new or enhanced technologies and processes, including AgTech to improve grape and wine quality, winery efficiency and sustainability, being available to the sector for adoption.	<ul style="list-style-type: none"> A portfolio of work on no and low alcohol wine production is contracted and progressing. AgTech activities through Regional Program deliver adoption outcomes for sector. Outputs delivered as contracted in existing investments. 	<ul style="list-style-type: none"> Impact project investments at AWRI in no- and low-alcohol wine production were funded and then rolled into the CRC-P for Australian lifestyle wines project to align the two investments. A novel pre-fermentation treatment technology for alcohol reduction is being investigated with CSIRO. A market opportunity report on mid-strength alcohol wine has been received. Technical opportunities exist, but the investment prioritisation process has not yet been finalised. The AgTech Program continues to provide value and support adoption through demonstration sites and other activities across Australia. One of the recent developments is to partner with Duxton Vineyards to demonstrate Smart Machines Oxin autonomous vehicles (AVs) One final report for project 1.2 (berry cell death) within the University of Adelaide bilateral agreement is delayed. Staff movements and personal circumstances are partially responsible for this. Other existing investments are on track.
At least three Wine Australia-funded projects having progressed to commercialisation.	<ul style="list-style-type: none"> Two projects progressed to commercialisation. 	<ul style="list-style-type: none"> A licensee has been secured for the rollout of a WISD (wine industry smoke detection) smoke taint risk tool. A project with La Trobe University was contracted to support development of a business model and technology transfer to the commercial partner as well as validation and extension activities. A licence for Viticanopy⁴, developed through Wine Australia investment with The University of Adelaide, has been assigned to Green Brain. <p>These are the third and fourth projects to proceed to commercialisation within the current 5-year Strategic Plan period.</p>

⁴ Viticanopy services that calculate Plant Area Index, Canopy growth and porosity will be integrated into the Green Brain web app to enable contextualisation of canopy data in relation to existing soil moisture, weather and NDVI data.

Strategy 4

Grow sustainable environments

This strategy focuses on providing knowledge and tools to help growers and producers to be more environmentally sustainable. This supports our overarching strategy of helping Australian wine be enjoyed and respected globally and building profitable, resilient and sustainable winegrape and wine businesses.

An Emissions Reduction Roadmap was delivered in September 2023 to support the grape and wine sector's goal of net zero carbon emissions by 2050. It includes a sector-wide emissions baseline, evidence-based targets for reduction, a guidance document for grapegrowers and winemakers to take action in their own businesses and a review of carbon accounting tools.

We have since continued to develop resources to help the sector adapt to the climate change effects already being experienced, including increased risk of bushfires. Despite recent cooler summers, a bushfire event earlier this year reinforced the need for a tool that can provide an assessment of smoke taint risk to grapes and wine in real time and inform early decision-making. A world-first network of 100 smoke sensor stations (called WISDs – Wine Industry Smoke Detectors) has been operational in north-east Victoria for over a year, analysing and reporting to growers the exposure of wine grapes to individual smoke events and accumulated seasonal smoke exposure. This year, Wine Australia and LaTrobe University have co-invested with state and private sector partners in a project to further validate the WISD risk tool and support the technology transfer process to facilitate a national deployment model. Ultimately a national network of sensors in vineyards will transmit information back to grapegrowers through an electronic dashboard, allowing them to make timely decisions around grape testing, vineyard management and winemaking strategies to manage smoke effects.

In 2023–24, Wine Australia also worked with key stakeholders using co-design principles to develop R&I strategies to tackle scale and mealybug pests. Scale and mealybug are estimated to cost Australian winegrape growers between \$5–20 million each year. The insects feed on the grapevine, secreting honeydew that can serve as a substrate for black sooty mould. The insects can also transfer the viruses that cause Grapevine Leafroll disease and Shiraz disease. Seven key priorities were identified in the workshops, including two clear top priorities – scale biology and lifecycle; and control options for scale (including a review of wine residue risk posed by late-season use of existing chemicals). New projects have been initiated to address these. In addition, key gaps in management of crown gall disease and grapevine viruses have been identified and projects are under development.

In continued pursuit of environmental sustainability, Wine Australia has partnered with Forest & Wood Products Australia, the University of the Sunshine Coast and other industry

partners to develop solutions for the reuse/recycling of treated and engineered timber products. The goal of the project is to develop circular economy-based solutions for timber products previously considered as waste, including CCA-treated timber vineyard posts. A significant deliverable from the project is a pilot in a wine region to demonstrate the optimised collection and transport of used posts, and their reuse or recycling. Data from the project is already being used to inform policy and the development of potential end-of-life solutions for CCA posts. Wine Australia is aware of the need for an expanded solution for recycling of drip line and bird netting and has been working with other RDCs on potential solutions.

The national EcoVineyards program continues to drive uptake of practices to enhance functional biodiversity, the use of vineyard ground covers and improvement of soil health. The focus this year has been on ground covers (including traditional cover crops). In addition to the workshops and field days held in participating regions, the program has created a range of unique resources available to growers nationally, including: a guide to soil health indicators for Australian vineyards (including identification of earthworms), a fact sheet on how to seed ground covers using hydroseeding, and several videos and fact sheets on establishment of ground covers, including native species. All resources are available on the EcoVineyards website. Best practice management guides addressing soil health, ground covers and biodiversity have also been drafted. The value of biodiversity in a vineyard was demonstrated in an aligned project by researchers from Charles Sturt University. They showed that certain under vine and mid-row groundcovers can reduce levels of light brown apple moth damage and the associated botrytis bunch rot.

In another Wine Australia-funded project with the same institution, researchers found that while ground covers have many benefits, in times of drought they may compete aggressively with the vines for soil moisture and need to be managed appropriately. Novel water-balance modelling, soil moisture probes and DNA profiling of vine and other plant roots in soil cores provided evidence for these recommendations. Investment in best-practice management of water continues to be a priority, reflected in a new project co-led by Wine Australia within the One Basin Cooperative Research Centre (CRC). This project aims to discover or create new opportunities for incentives and finance through private investment markets to support irrigators to improve practices. The CRC also convened successful workshops in the Riverland to address the challenging industry conditions from a water perspective. These workshops informed a discussion paper from the CRC which addresses options for structural adjustment within the Basin.

Strategy 4: Grow sustainable environments

Strategic Plan measure of success	2023–2024 Annual operating Plan measure of success	2023–24 Achievements
New knowledge allows the sector to establish a carbon emissions benchmark.	<ul style="list-style-type: none"> Deliver a roadmap to significantly reduce carbon emissions for the grape and wine sector, which includes tools to achieve the sector's targets. 	<ul style="list-style-type: none"> The Emissions Reduction Roadmap was delivered to the sector in September 2023. It includes a sector-wide emissions baseline, evidence-based targets for reduction, a guidance document for grape growers and winemakers to take action in their own businesses and a review of carbon accounting tools.
New knowledge allows the sector to establish waste production benchmarks.	<ul style="list-style-type: none"> New investments in vineyard waste reduction, guided by the ESG Investment Plan, are co-designed with the sector and commenced. 	<ul style="list-style-type: none"> Investment in the Timber Circularity Project has produced draft reports to quantify the volume of CCA vineyard posts by region, and examine regulatory and logistical barriers to their collection, reuse and end-of-life processing. Other initiatives include the development of a plan to examine the feasibility of a product stewardship model for end-of-life management of CCA treated timber. A 'store safely' campaign is also underway.
Two (new) tools, technologies or processes are available to the sector to allow it to adapt to and/or mitigate the effects of climate change.	<ul style="list-style-type: none"> New investments in climate change adaptation and mitigation strategies, guided by the ESG Investment Plan, are co-designed with the sector and started. Other outputs delivered as contracted in existing investments. 	<ul style="list-style-type: none"> Several new investments are under development with the sector or in progress. These include: <ul style="list-style-type: none"> Sustainable packaging grant funding with the Department of Industry, Science and Resources Carbon insetting opportunities for vineyards Management of smoke taint through early warning systems (smoke sensor network) and rapid chemical methods Fermentation CO2 capture Other investments are on track.
A better understanding of vine water use contributes to better irrigation scheduling processes that allow more efficient and effective use of water.	<ul style="list-style-type: none"> New investments initiated through the One Basin CRC. Other outputs delivered as contracted in existing investments. 	<ul style="list-style-type: none"> A project to investigate incentives and investment available to irrigators to improve management practices within the Murray Darling Basin was developed after an extensive co-design process. It commenced in June 2024. Other projects to support this KPI are in development within the CRC. Research to investigate the potential competition of various vineyard groundcovers with the grapevine for soil moisture was completed and reported. Other investments are on track.
Research delivers clear information about the value of soil remediation processes and enhancing functional biodiversity.	<p>Three best practice management guides published on the topics of soil health, cover crops and functional biodiversity.</p> <p>Other outputs delivered as contracted in existing investments.</p>	<ul style="list-style-type: none"> The three best practice management guides are in preparation. The final report for the project <i>Functional biodiversity solutions for Australian vineyards, harnessing groundcovers, vineyard surrounds and native plants to deliver key ecosystem services</i>, was delivered. A project was commissioned to investigate the role of functional biodiversity in the management of scale pests. Initial findings have demonstrated the benefit of planting specific vineyard groundcovers to reduce the incidence of light brown apple moth and subsequent severity of bunch rot. The research is progressing. Other investments are on track.
New and improved practices for sustainable management of endemic pests and diseases are available to the sector.	<ul style="list-style-type: none"> New investments in the sustainable management of endemic pests and diseases, guided by the ESG Investment Plan, are co-designed with the sector and new projects commenced with a focus on cross-sectoral R&I to address gaps. Other outputs delivered as contracted in existing investments. 	<ul style="list-style-type: none"> A series of co-design workshops with key sector stakeholders identified priority areas for R&I investment in the management of soft-bodied insects (scale and mealybug) and their role in vectoring of grapevine viruses. Chemical advice updated and new investments with SARDI and CSU have commenced. The final report for the weed-electrocution evaluation project was delivered. Electric weed control was as effective as herbicide, with no effect on soil biota, however application cost was far greater. Fire risk would prevent the use of current technology in fire danger periods. Existing investments on Phylloxera, trunk diseases, fungicide resistance and viruses are on track. New programs to address key gaps in Phylloxera, crown gall and grapevine viruses are being developed

Strategy 4: Grow sustainable environments

Strategic Plan measure of success	2023–2024 Annual operating Plan measure of success	2023–24 Achievements
The sector is better prepared to manage incursions of exotic pests and diseases through our support of a wine biosecurity committee that engages all relevant bodies to identify biosecurity risks and develop a plan to mitigate them.	<ul style="list-style-type: none"> Investment requirements mapped out and new projects started on cross sectoral biosecurity innovations that can be adopted by the grape and wine sector. Other outputs delivered as contracted in existing investments. 	<ul style="list-style-type: none"> New investment and ongoing engagement with PBRI, AIA, AgriFutures and others have been limited due to a role vacancy which has now been filled. The recently completed Boosting Diagnostics, iMapPESTS, Viticulture Industry Biosecurity Plan and Manual cross-sectoral projects require next steps. Existing investments on diagnostics and Xylella vectors are on track.
The use of vineyard cover crops and soil remediation practices has increased by 10 per cent.	<ul style="list-style-type: none"> Program to increase adoption of vineyard ground covers and improved soil management continues. 	<ul style="list-style-type: none"> The National EcoVineyards Program aims to accelerate adoption and practice change outcomes in the areas of functional biodiversity, ground covers/cover crops and soil health. The roll-out of the national EcoVineyards program continues, with ~90% participants indicating that they have gained new knowledge or new information to improve their long-term profitability and sustainability. The program has also completed three literature reviews, incorporated 30 new EcoGrowers and produced 250 pages of new extension materials. Delivery of the program in the inland regions has been postponed given the unprofitable conditions for many growers currently.
The land area dedicated to enhancing functional biodiversity has increased by 10 per cent.	<ul style="list-style-type: none"> Program to increase awareness and adoption of functional biodiversity continues. 	<ul style="list-style-type: none"> The roll-out of the national EcoVineyards program continues (see above). In addition, all growers now have access to fact sheets, videos and other resources through the EcoVineyards website to support their management.
Best-practice irrigation to optimise water use efficiency is adopted by an additional 30 per cent of growers in warm irrigated regions.	<ul style="list-style-type: none"> Outcomes delivered from AWRI's practice change project focusing on irrigation in warm inland regions. 	<ul style="list-style-type: none"> Lack of engagement from the inland grower community has limited the impact of AWRI's practice change project. An AWRI water management webpage includes two short 'how to' videos focused on irrigation monitoring and maintenance that have received over 1000 views since their release date. Three irrigation practice change workshops were held in Mildura, Loxton, and Renmark. A total of 75 people attended the irrigation practice change workshops. Of these, 25% said they would change at least one of their current practices based on the workshop and 61% said they would reassess their current practices.





Strategy 5

Build business sustainability, excellence and leadership

Considering the changing needs of the sector, we are adapting our approach to investments capable of delivering practical research to achieve practice change outcomes, guided by Wine Australia's *Extension and Adoption Strategy 2020–25*.

An independent review of our performance between July 2019 and December 2022 took place in late 2023 as part of our funding agreement with the Commonwealth Government. The recommendations and our response are now available on the Wine Australia website, with both helping to shape our future efforts and effectiveness, for the benefit of levy payers.

Wine Australia agrees with the review recommendations, noting that many of them are focused on continuing, expanding and expediting the improvements that have been initiated over the past 18 months under new leadership. We have also identified where changes to both communication and extension methodologies will facilitate more authentic and consistent engagement with the broad diversity of levy payers. These new ideas will form a key component of the nationally coordinated approach to E&A recommended in the review, which is in the final stages of development. Through these continued changes, Wine Australia aims to facilitate a broader and more rapid uptake of R&I outcomes on the ground, where financial and production benefits can be realised by individual businesses, the regions and the sector more widely.

As part of this amended approach, we are also broadening our provider base by using competitive processes to procure new E&A expertise and services. Our goal is to secure better value, attract greater collaboration and co-investment, and ensure enhanced regional ownership going forwards. Projects involving AWRI's unique and valued resources such as the helpdesk, library and agrochemicals information (DogBook) will not change and continue to be procured by Wine Australia on a long-term service agreement, which will now protect them from the need for future adjustments to funding due to reduced vintage and levies. There will be a change to the AWRI communications project to increase coordination with broader Wine Australia activities as it responds to sector demands for more comprehensive coverage of the investments we make and topics informed by the sector's priorities.

Wine Australia continues to support the valued services of a wide range of communication channels and extension events for the sector, including through AWRI, ASVO and our Regional Program, and we are guided by the immediate needs of the regions.

Through the Wine Australia agtech hub and demonstration sites we have continued supporting producers with independent information in partnership with grapegrowers and winemakers, resulting in local resources and details on where to see grape and wine tech in action. Visit <https://www.wineaustralia.com/growing-making/agtech-hub> for more information.

The National EcoVineyards program has continued successfully. Through this program we've increased the use of appropriate vineyard groundcovers, soil remediation practices and the land area dedicated to enhancing functional biodiversity. Visit <https://ecovineyards.com.au/>.

Wine Australia also continues to invest in programs to help our emerging leaders develop the skills to drive our community forward, to promote career pathways and to support a diverse workforce. Future Leaders, the Next Crop regional leadership program, the Wine Industry Mentor Program and the youth network program 'Rootlings' are the cornerstones of our people development activities.

Wine Australia recently launched an innovative new digital careers website that aims to nurture Australia's next generation of viticulture and wine sector professionals. 'Careers in viticulture and wine' is designed for students, teachers

and schools and provides a real-world connection from the vineyard and winery to Australia's education curriculum. It offers an opportunity to connect with local and regional schools, build networks and inspire young people to explore careers in viticulture and wine. See <https://www.wineaustralia.com/careers-in-viticulture-and-wine> for more information.

This year, through the digital upskilling program, more than 50 women from across the industry have graduated from the 2-year Diploma of Digital Technologies program. They were able to undertake this at no cost thanks to Wine Australia's collaboration with Flinders University and the support of the Australian Government Women in STEM Cadetships and Advanced Apprenticeships Program. The course explores how digital technologies can transform the wine sector through the application of robotics, sensor-based solutions, automation and data analytics.

Strategic Plan measure of success	2023–2024 Annual Operating Plan measures of success	2023–24 Achievements
<p>Of levy payers who participate in Wine Australia-supported extension and adoption programs:</p> <ul style="list-style-type: none"> 80 per cent consider them as a good or very good use of levy funds 80 per cent have gained new knowledge or new information to improve their long-term profitability and sustainability 50 per cent intend to make, or have made, changes to existing practices by adopting the outcomes of R&D 80 per cent of those who've adopted agtech have a positive return on their investment. 	<ul style="list-style-type: none"> New arrangements for the Regional Program are implemented. Awareness raising and extension activities incorporate behavioural science principles and receive excellent levels of engagement and feedback. Targeted adoption and practice change programs are underpinned by specific, measurable and actionable objectives and metrics of adoption outcomes. 	<ul style="list-style-type: none"> The Regional Program was refreshed to provide more flexibility, administrative and innovation support to partners and the new arrangements have been implemented. ASVO continue to be a valued service provider in both extension and people development activities. We are taking the Wine Australia supported NSW youth network pilot 'The Rootlings' national, via a youth project officer engaged by ASVO with Wine Australia support. In response to our recent Performance Review we are implementing a nationally coordinated approach to extension and adoption, broadening our provider base, and using competitive processes to procure services needed for extension and adoption campaigns. Metrics will be incorporated into this new approach going forwards. The National EcoVineyards Program to accelerate adoption and practice change outcomes in the areas of functional biodiversity, ground covers/cover crops and soil health, has specific, measurable and actionable objectives and metrics of adoption outcomes, and continues as described in more detail in the table above. AWRI is finalising several practice change projects on irrigation management, best-practice oxygen use in winemaking and on the use of foliar sprays to impact flavour. The projects will be evaluated in 2024.
<p>More than 90 per cent of participants in people development programs have gained new knowledge and skills to improve their personal and professional leadership capabilities.</p>	<ul style="list-style-type: none"> Leadership programs continue to attract excellent candidates and receive positive feedback. Resources demonstrating careers and pathways in the grape and wine sector are available. 	<ul style="list-style-type: none"> From a diverse and excellent field of 103 applications (62% women) fifteen sector individuals were selected to participate in Future Leaders 2023. On project completion all participants indicated they were 'extremely satisfied' with the program and would be 'extremely likely' to recommend the program to others. All have reported gaining new knowledge and skills and applying the concepts in their current roles. The regionally led leadership program, Next Crop, was delivered in Riverina, NSW and Tasmania. Wine Tasmania engaged Tasmanian Leaders to deliver the program, resulting in 24 participants and graduates. Riverina Winemakers Association, Riverina Winegrape Growers and NSW DPI partnered to offer the program to 14 participants, with Jill Briggs from Affectus delivering the program. The Wine Industry Mentor Program, a partnership between the Australian Society of Viticulture and Oenology, the University of Adelaide, Wine Australia, Wine Industry Suppliers Association, and Wine Communicators of Australia, continues to evolve and receive strong interest. In 2023, 56 early career professionals gained a place, out of 130 applications. A new website Careers in viticulture and wine was launched. This site is a one-stop-shop for sourcing careers and education related content for schools and students, teachers and career advisors as well as industry.

Strategic Plan measure of success	2023–2024 Annual Operating Plan measures of success	2023–24 Achievements
99 per cent of exporters have access to the information and knowledge they need to meet the requirements of the importing country.	<ul style="list-style-type: none"> Review the destination of exports to ensure that exporters' information needs are met by our export market guides. 	<ul style="list-style-type: none"> All exporters have access to Wine Australia's Export Market Guides through the WALAS platform and via Wine Australia's website. Updates to Wine Australia's Export Market Guides are notified via Wine Australia's bi-monthly Export News, as are regulatory changes likely to impact upon Australian exporters' ability to access overseas markets. The Performance Review dated 1 November 2023 (but pertaining to the period of July 2019 to December 2022) cites at page 98: "Almost all industry stakeholders believed that Wine Australia was doing an excellent job in terms of its regulatory responsibilities and feedback was overwhelmingly positive. This was particularly the case where wine companies had received advice and support regarding the regulatory and labelling."
More than 90 per cent of market insights customers are satisfied or very satisfied with our market insights services.	<ul style="list-style-type: none"> The Improving Market Transparency project continues to promote transparency of winegrape pricing for growers in the major inland wine regions. Delivering the grape supply and demand dashboard. Maintenance and enhancement of Interactive Insights dashboards. 	<ul style="list-style-type: none"> The Grape Price Indicators dashboard has been completed and launched – on time and within budget. Rates of dashboard usage have been very high – overtaking all other dashboards in December. ABARES delivered grape price forecasts for key red and white varieties for the warm inland regions. A revamped Market Explorer was delivered providing greater transparency of market opportunities by market and price segment. A project has commenced to build a grower grape cost benchmark tool that will assist growers to calculate the cost of grape production. A project has commenced to review the Gross Margin Ready Reckoner tool.

The organisation

Organisational structure and statement on governance

Wine Australia is a statutory body operating under the *Wine Australia Act 2013* (Wine Australia Act) and a corporate Commonwealth entity operating under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Board has obligations under both the *Wine Australia Act* and the *PGPA Act* and has ultimate responsibility for the performance of Wine Australia's functions.

The Board has articulated its functions, duties and responsibilities in detail in its Board Charter, and in its Governance Framework, which sets out Wine Australia's corporate governance arrangements – i.e. how, in a practical sense, the Board maintains oversight of the operations of the organisation.

Our head office is in Adelaide and we maintain corporate entities in the UK, Canada and the US to facilitate global market development activities.

Wine Australia abides by the following key principals for Corporate Governance:

- The Board must govern Wine Australia in a way that: promotes the proper use and management of public resources for which the authority is responsible; promotes the achievement of the purposes of Wine Australia and promotes the financial sustainability of Wine Australia.
- The Board must establish and maintain systems relating to risk and control including systems of internal control.
- The Board must maintain oversight of the operations of the organisation through reporting by the CEO.
- The Board must keep the responsible Minister informed of its activities and of any significant issue that may affect it.
- Directors must exercise independent judgment and provide independent oversight of the organisation.
- The Board's performance (including the performance of its Chair, the individual Directors and, where appropriate, members of the Board Committees), must be evaluated regularly.



The Board

The Board is established in accordance with the Wine Australia Act. It must consist of a Chair and at least five, but not more than seven, other Directors. During the reporting period Dr Michele Allan AO served as Chair, having commenced in the role on 4 July 2020. On 4 July 2023, Dr Allan was reappointed as Chair for a further three years.

Information about each Board member's qualifications, knowledge, skills or experience (formal and informal), as well as Wine Australia's Board Charter, can be found at <https://www.wineaustralia.com/about-us/our-board>.

Board Directors

Dr Michele Allan AO (Victoria)

Chair from 4 July 2020. Deputy Chair 23 November 2018 to 20 October 2019, Director from 1 October 2018 to 20 October 2019

Cath Oates (Western Australia)

Director from 1 October 2018, Deputy Chair from 5 February 2019

Catherine Cooper (South Australia)

Director from 1 October 2018

Frances-Anne Keeler (New South Wales)

Director from 28 August 2020

Mitchell Taylor (New South Wales)

Director from 1 October 2018

John Lloyd (New South Wales)

Director from 22 November 2021

Justin Brown (Australian Capital Territory)

Director from 22 November 2021

Independent Audit Committee Chair

Mr Geoff Knuckey

Geoff has extensive experience as an Audit Committee member or Chair and is currently serving on audit committees for numerous government entities. He also has extensive experience as a Director and serves on boards and audit committees of multiple private sector entities. Mr Knuckey has been a full-time company director and audit committee member since 2009 following a 32-year career with Ernst & Young specialising in Audit and Assurance Services in both the public and private sectors across a range of industries.

Qualifications: B. Economics (ANU), FCA, GAICD, Registered Company Auditor.



Risk management

In 2023–24 Wine Australia managed risk in accordance with its Risk Management Policy and Framework that:

- explains how risks are identified, assessed and managed, and
- establishes a framework that underpins the management of risk.

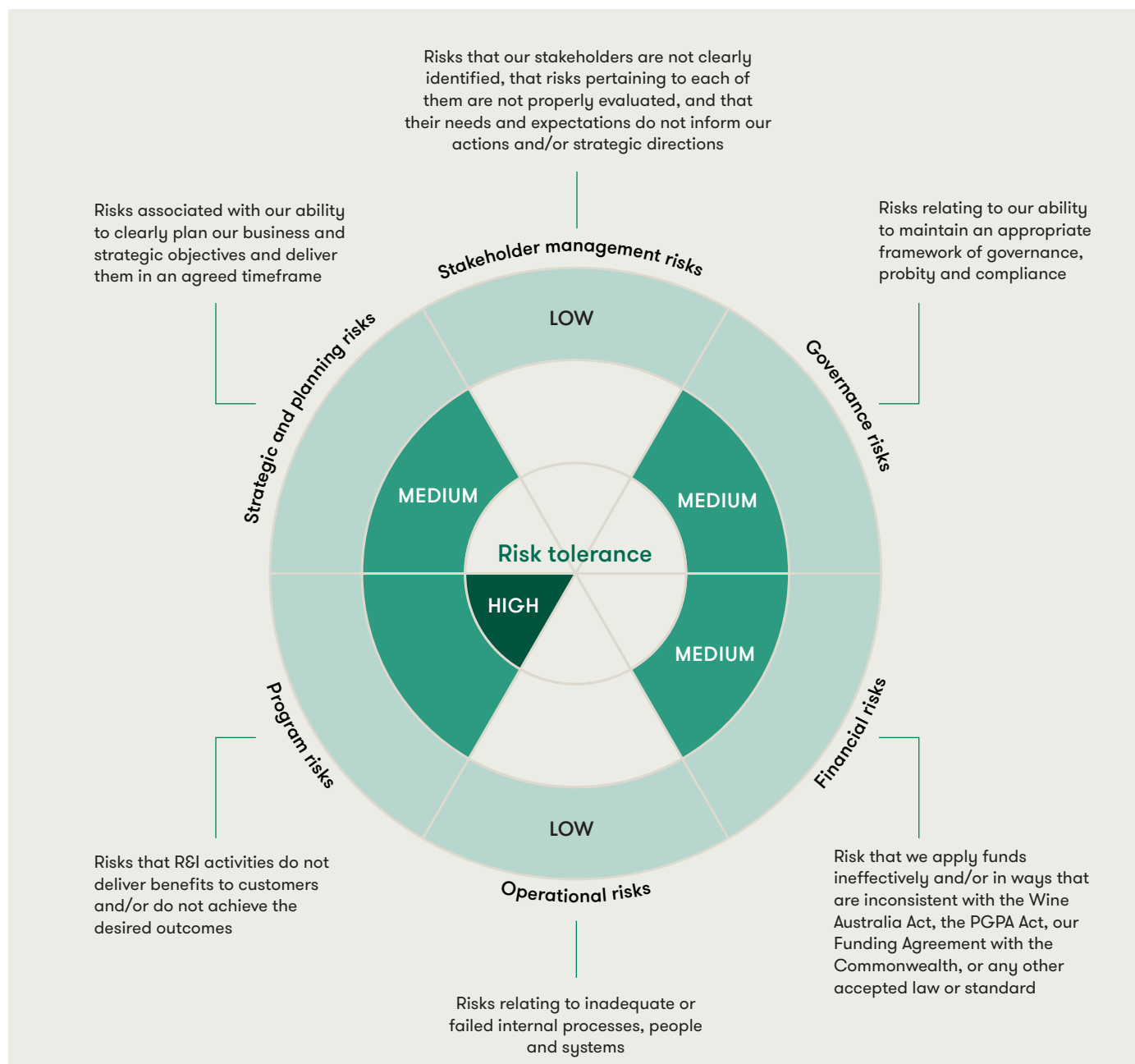
The Framework is aligned with and reflects existing standards and guidance such as AS/NZS ISO 31000:2018 – risk management – principles and guidelines.

The Framework acknowledges the importance of engaging with risk in our operating environment to deliver programs that are innovative, efficient and dynamic and recognises that a positive risk culture promotes an open and proactive approach to managing risks.

In accordance with its Risk Management Policy and Framework, the Audit and Risk Committee and the Board reviewed the framework in 2023–24, including its risk tolerance in relation to each risk category defined by the framework. All risks identified as having a risk rating in excess of the corresponding risk tolerance set by the Board were addressed by the Board.

At an operational level, risk was managed through regular meetings of the Risk Management Committee, which provides regular risk reports to the Audit and Risk Committee. The Audit and Risk Committee reported on risks to the Board after its meetings.

Figure 3: Wine Australia’s risk tolerance



Declared representative organisation

In 2023–24, Australian Grape & Wine was both the declared wine grapegrowers organisation and the declared winemakers association for the purposes of section 5B of the Wine Australia Act.

Audit and Risk Committee

Subsection 45(1) of the PGPA Act requires authorities accountable for all Commonwealth entities to ensure that the entity has an Audit Committee.

In 2023–24, Wine Australia's Audit and Risk Committee comprised:

- Geoff Knuckey (Chair)
- Catherine Cooper
- Mitchell Taylor and
- Justin Brown

Audit and Risk Committee members who are members of the Board do not receive additional remuneration above that due to them as board members. As an external consultant Mr Knuckey received \$8,800 for his expertise and attendance for the reporting period.

The Audit and Risk committee's Terms of Reference can be found on Wine Australia's website at: <https://www.wineaustralia.com/getmedia/c71851d7-0c4e-4cbf-8622-25fb0786de2c/2024-Audit-and-Risk-Committee-Terms-of-Reference.pdf>

The functions of the Audit and Risk Committee include reviewing:

- financial reporting
- performance reporting
- risk oversight and management systems, and
- internal control systems.

Wine Australia Board meetings 2023–24

Date held	Location
25 September 2023	Video conference
19–20 December 2023	Adelaide and Clare Valley
25 March 2024	Video conference
3 May 2024	Adelaide
24 June 2024	Video conference

Geographical Indications Committee

The Wine Australia Act 2013 establishes a Geographical Indications Committee (GIC) with its primary role being consideration of applications for new Australian and foreign GIs. The GIC comprises members appointed by Wine Australia, including two members nominated by Australian Grape & Wine. In 2023–24 the GIC comprised:

- Dennis Mutton, the Presiding Member appointed by Wine Australia
- Phillip Laffer (Australian Grape & Wine nominated member), and
- Peter Hayes (Australian Grape & Wine nominated member).

The GIC did not make any determinations of new geographical indications for wine in 2023–24.

2023–24 Board and external consultants

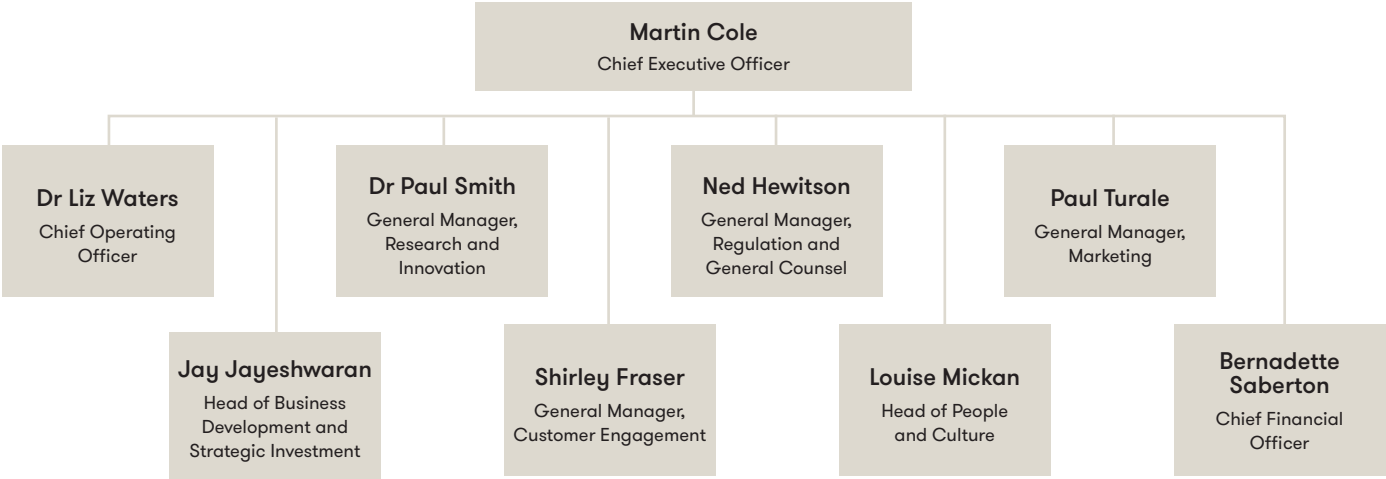
	Board meetings		Audit and Risk Committee		Additional information
	Eligible	Attended	Eligible	Attended	
Michele Allan	5	5			Chair
Justin Brown	5	5	5	4	Director
Catherine Cooper	5	4	5	3	Director
John Lloyd	5	5			Director
Catherine Oates	5	5			Director
Mitchell Taylor	5	4	5	5	Director
Frances-Anne Keeler	5	5			Director
Geoff Knuckey (Ind Chair A&R committee)			5	5	External consultant

Management and staff

PGPA Rule Section 17BE (j),(i)-(v) – Accountable Authority

Senior Management as at 30 June 2024

Figure 4: Senior management



Key management personnel remuneration

Key Management Personnel remuneration

Name and Position title	Term as KMP	Base salary	Bonuses	Short-term benefits and allowances	Post-employment benefits	Other long-term benefits	Long Service Leave	Other long-term benefits	Termination benefits	Total remuneration
Allan, Michele Board member	Full year	82,960	-	-	9,126	-	-	-	-	92,086
Brown, Justin Board member	Full year	41,480	-	-	4,563	-	-	-	-	46,043
Cole, Martin Chief Executive Officer (CEO)	Full year	347,424	-	4,043	59,334	5,782	-	-	-	416,583
Cooper, Catherine Board member	Full year	41,480	-	-	4,563	-	-	-	-	46,043
Kattuputur Jayeswaran, Jayakrishna (Jay) Head of Business Development and Strategic Investment	Full year	200,721	-	252	20,507	1,966	-	-	-	223,446
Keeler, Frances-Anne Board member	Full year	41,480	-	-	4,563	-	-	-	-	46,043
Lloyd, John Board member	Full year	41,480	-	949	4,563	-	-	-	-	46,991
Oates, Catherine Board member	Full year	41,480	-	1,118	4,563	-	-	-	-	47,161
Smith, Paul General Manager (GM)	Part Year - start date 1 June 2024	17,969	-	-	1,973	2,432	-	-	-	22,374
Taylor, Mitchell Board member	Full year	41,480	-	-	4,563	-	-	-	-	46,043
Triggs, Rachel General Manager (GM)	Part Year - end date 8 December 2023	118,933	-	961	12,075	4,088	-	-	110,175	246,230
Hewitson, Edward (Ned) General Manager (GM)	Part Year - start date 1 April 2024	54,306	-	-	4,955	1,190	-	-	-	60,451
Turale, Paul General Manager (GM)	Full year	268,313	-	1,399	27,295	3,020	-	-	-	300,027
Waters, Elizabeth (Liz) General Manager (GM) / Chief Operating Officer (COO)	Full year	241,888	-	214	24,600	25,331	-	-	-	292,034
Weinert, Steven Chief Operating Officer	Part Year - end date 30 April 2024	250,011	-	196	22,290	(1,827)	-	-	65,663	336,333
Saberton, Bernadette Chief Financial Officer	Part Year - start date 1 April 2024	60,211	-	-	4,955	6,709	-	-	-	71,876
		1,891,616	-	9,132	214,486	48,691	-	-	175,837	2,339,763

Senior executives remuneration

Senior executives remuneration

			Short-term benefits			Post-employment benefits	Other long-term benefits	Termination benefits	Total remuneration
Remuneration Band	Number of senior executives	Average Base salary (\$)	Average Bonuses salary (\$)	Average Other benefits and allowances (\$)	Average Superannuation contributions (\$)	Average Long service leave (\$)	Average Other long-term benefits (\$)	Average Termination benefits (\$)	Average Total remuneration (\$)
\$0-\$220,000	2	137,768	-	-	14,001	2,590	-	-	154,359
		137,768	-	-	14,001	2,590	-	-	154,359

Highly paid staff remuneration

Other highly paid staff remuneration

			Short-term benefits			Post-employment benefits	Other long-term benefits	Termination benefits	Total remuneration
Remuneration Band	Number of senior executives	Average Base salary (\$)	Average Bonuses salary (\$)	Average Other benefits and allowances (\$)	Average Superannuation contributions (\$)	Average Long service leave (\$)	Average Other long-term benefits (\$)	Average Termination benefits (\$)	Average Total remuneration (\$)
\$250,000 - \$270,000	2	Full year	258,308	-	29,492	-	-	-	287,800
\$295,001 - \$320,000	1	Full year	308,122	-	47,007	-	-	-	355,129

Staff

Wine Australia employed 63 people (with three vacant positions) at 30 June 2024, compared with 66 the preceding year.

	Male		Female		Intersex and unspecified		Total
	F/T	P/T	F/T	P/T	F/T	P/T	
Australia	19	1	25	8			53
UK			3	1			4
USA	4		1				5
Canada			1				1
Total	23	1	30	9	0	0	63

Reporting requirements

Enabling legislation

Wine Australia is established in accordance with section 6 of the *Wine Australia Act 2013*.

Functions

Section 7 of the Act provides that Wine Australia has the following functions:

- a) to investigate and evaluate the requirements for grape or wine R&D
- b) to coordinate or fund the carrying out of grape or wine R&D activities
- c) to:
 - i. monitor
 - ii. evaluate, and
 - iii. report to the Parliament, the Minister and the representative organisations on grape or wine R&D activities that are coordinated or funded, wholly or partly, by the Authority;
- d) to:
 - i. assess, and
 - ii. report to the Parliament, the Minister and the representative organisations on the impact, on the grape industry or wine industry, of grape or wine R&D activities that are coordinated or funded, wholly or partly, by the Authority;
- e) to facilitate the dissemination, adoption and commercialisation of the results of grape or wine R&D
 - a) to implement, facilitate and administer programs, as directed by the Minister, in relation to:
 - i. wine, and
 - ii. cider (as defined by section 33-1 of the *A New Tax System (Wine Equalisation Tax) Act 1999*), and
 - iii. international wine tourism, and services, products and experiences that complement international wine tourism;

b) to administer grant programs in relation to wine (as defined by section 33-1 of the *A New Tax System (Wine Equalisation Tax) Act 1999*), as directed by the Minister;

- f) to control the export of grape products from Australia;
- g) to promote the consumption and sale of grape products, both in Australia and overseas;
- h) such other functions as are conferred on the Authority by:
 - i. this Act
 - ii. the regulations, or
 - iii. any other law
- i) to do anything incidental to, or conducive to, the performance of any of the above functions.

Note: One of the Authority's functions under the regulations is to establish, maintain and make publicly available a Label Directory.

Objects

The objects of the Act are:

- a) to support grape or wine research and development activities; and
 - a. to support the growth of the wine industry, and other industries that make wine (within the meaning of section 33-1 of the *A New Tax System (Wine Equalisation Tax) Act 1999*); and
 - a. to support the growth of international wine tourism, and services, products and experiences that complement international wine tourism; and
- b) to control the export of grape products from Australia, including through the use of a Label Directory containing digital colour images of grape product labels and other information to allow persons to identify potential infringements of intellectual property rights; and
- c) to promote the consumption and sale of grape products, both in Australia and overseas; and
- d) to enable Australia to fulfil its obligations under prescribed wine-trading agreements and other international agreements.

TANK	CRUSH DATE	WINE CODE	YESTERDAY °Be	Today °Be	TEMP	DESIRED TEMP	A.M. WORK	P.M. WORK	COMMENTS/ADDITIONS
OF 1							3:30 PM	3:00 PM	15.5 VALLEY CUP LAGER 11.7, 12.0
OF 2									
OF 3									

Responsible Minister

During the year in review our responsible Minister was Senator the Hon. Murray Watt MP, Minister for Agriculture, Fisheries and Forestry.

Significant non-compliance issues with finance law

PGPA Rule Section 17BE (h) – (i) Significant non-compliance with the Finance Law

Description of non-compliance	Remedial Action
N/A	N/A

Ministerial directions and government policy orders

Ministerial direction may be given to Wine Australia by the responsible Minister under section 31K of the Wine Australia Act, or by the Finance Minister under section 22 of the PGPA Act. No such direction was given in the 2023–24 financial year.

Significant activities and changes affecting the entity

No major decisions or changes were made in the reporting period that affected the entity.

Obtaining information from subsidiaries

Wine Australia has no subsidiaries.

Indemnities and insurance premiums

Wine Australia had Directors’ and Officers’ Liability insurance through ComCover. The insurer recommended that details of the policy and the premium paid not be disclosed. No indemnities have been provided to any current or former officers.

Work health and safety

Wine Australia is committed to providing a safe and pleasant work environment for both staff and visitors and acknowledge our responsibilities under the *Work Health and Safety Act 2011*. A WHS and wellbeing committee has been established, focusing on wellbeing initiatives and mental health of staff. There were no notifiable incidents or injuries and there were no investigations conducted during the 2023–24 year.

Disability reporting mechanism

Australia’s Disability Strategy 2021–2031 (the Strategy) is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia’s policies and programs that affect people with disability, their families and carers. All levels of government have committed to deliver more comprehensive and visible reporting under the Strategy. A range of reports on progress of the Strategy’s actions and outcome areas will be published and available at <https://www.disabilitygateway.gov.au/ads>.

Disability reporting is included the Australian Public Service Commission’s State of the Service reports and the APS Statistical Bulletin. These reports are available at <http://www.apsc.gov.au>.

Grants

In 2023–24 Wine Australia administered Round Five of the Wine Tourism Cellar Door Grant on behalf of the Australian Government. Information on grants awarded through this process is available via GrantConnect at grants.gov.au.



Greenhouse gas emissions inventory

Table 1: 2023–24 Greenhouse gas emissions inventory – location-based method 2023–24

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location Based Approach)	N/A	14.697	4.347	19.044
Natural Gas	7.291	N/A	1.514	8.804
Solid Waste*	N/A	N/A	0.000	0.000
Refrigerants*†	0.000	N/A	N/A	0.000
Fleet and Other Vehicles	0.000	N/A	0.000	0.000
Domestic Commercial Flights	N/A	N/A	67.598	67.598
Domestic Hire Car*	N/A	N/A	0.000	0.000
Domestic Travel Accommodation*	N/A	N/A	38.238	38.238
Other Energy	0.000	N/A	0.000	0.000
Total t CO₂-e	7.291	14.697	111.698	133.685

Note: the table above presents emissions related to electricity usage using the location-based accounting method. CO₂-e = Carbon Dioxide Equivalent.

* indicates emission sources collected for the first time in 2023–24. The quality of data is expected to improve over time as emissions reporting matures.

† indicates optional emission source for 2023–24 emissions reporting.

Table 2: 2023–24 Electricity greenhouse gas emissions

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	% of electricity use
Electricity (Location Based Approach)	14.697	4.347	19.044	100.00%
Market-based electricity emissions	37.856	4.674	42.530	81.28%
Total renewable electricity	-	-	-	18.72%
Mandatory renewables ¹	-	-	-	18.72%
Voluntary renewables ²	-	-	-	0.00%

Note: the table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent.

- 1 Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage.
- 2 Voluntary renewables reflect the eligible carbon credit units surrendered by the entity. This may include purchased large-scale generation certificates, power purchasing agreements, GreenPower and the jurisdictional renewable power percentage (ACT only).

Performance

Performance principles

In accordance with the Australian Government's Statutory Funding Agreement, in 2023–24 Wine Australia complied with the Guidelines for Statutory Funding Agreements, the Best Practice Guide to Stakeholder Consultation, and the RDC Companion Document.

The SFA obliges Wine Australia to:

- act in accordance with specified Performance Principles and Guidelines and report against the same
- monitor, evaluate and demonstrate performance, including through annual performance meeting with DAFF, and periodic independent performance reviews
- manage funds in prescribed ways, and
- meet other ancillary obligations set out in the agreement.

Performance against the Principles must be monitored and evaluated through processes implemented by Wine Australia. Further, Wine Australia is required to demonstrate its performance against the Performance Principles to levy payers and other stakeholders.

The Performance Principles are summarised as follows:

Stakeholder engagement – Wine Australia must engage stakeholders to identify research, development and adoption activities that provide benefits to the industry.

Balanced Portfolio – Wine Australia must ensure research, development and adoption (and marketing) priorities and activities are strategic, collaborative and targeted to improve profitability, productivity, competitiveness and preparedness for future opportunities and challenges through a Balanced Portfolio. Balanced Portfolio is defined as meaning a Research and Innovation (and extension and adoption, as part of the portfolio) investment portfolio incorporating an appropriate blend of issues of national importance based on government and levy payer priorities that seeks to balance short-, medium- and long-term investments, high- and low-risk, and strategic and adaptive research needs including consideration of regional variations and needs.

Collaboration – Wine Australia must undertake strategic and sustained cross-industry and cross-sectoral collaboration that addresses shared challenges and draws on experience from other sectors.

Governance – Wine Australia must implement governance arrangements and practices to fulfil legislative requirements and align with contemporary Australian best practice for open, transparent and proper use and management of funds.

Performance – Wine Australia must demonstrate positive outcomes and delivery of research, development and adoption (and marketing) benefits to levy payers and the Australian community and show continuous improvement in governance and administrative efficiency.

The 'Guidelines' are summarised as follows:

- the Australian Government's Science and Research Priorities
- the Australian Government's Rural Research, Development and Extension Priorities
- the National Primary Industries Research Development and Extension Framework
- the Levy Principles and Guidelines, being the guidelines relating to the introduction of new levies or changes to existing levies
- the Companion to the Research & Development Corporations Funding Agreement prepared by the Department, and
- other guidelines or priorities about which the Commonwealth notifies Wine Australia in writing from time to time.

Table 3: Performance Principles

Performance Principle 1 – Stakeholder Engagement		
1.1	Strategy prioritisation and development processes include appropriate consultation plans, based on the <i>Best practice guide to stakeholder consultation</i> .	<ul style="list-style-type: none"> This year, Wine Australia worked with Australian Grape & Wine (AGW) to develop a <i>One Grape and Wine Sector Plan</i> (OGWSP), which will inform our next <i>Strategic Plan 2025–30</i>. As noted below, extensive nationwide consultation was conducted as part of this. A close to final draft of the OGWSP was endorsed by the Wine Australia Board on 24 June 2024 and the AGW Board on 26 June 2024. <p>Wine Australia’s Stakeholder Consultation Guide was developed following receipt of the <i>Best practice guide to stakeholder consultation</i>¹ and is the basis for the consultation noted for the OSP development.</p>
1.2	Demonstrated industry stakeholder engagement in the identification of RD&E priorities and activities consistent with the consultation plan in 1.1.	<ul style="list-style-type: none"> Consultation to inform the OGWSP, which includes RD&E priorities, took place from June to October 2023. This included a series of in-person and virtual workshops (at least one held in every state) and a national online survey. Workshops had between 5 and 60 participants and were facilitated accordingly. More than 200 people joined a workshop and the national online survey received more than 400 responses. Workshop attendees were primarily grape growers and wine makers; representative bodies and organisations were key partners in hosting, facilitating and promoting workshops to the sector. The draft OGWSP was released via email to those customers from representative bodies and organisations that were key partners in facilitating workshops and consultation on 8 January. The draft OGWSP was then released widely to the sector the following day via EDM and on Wine Australia and AGW’s websites. A “Have your say” consultation period of four weeks followed, closing on 5 February. Thirty-one further email submissions and 96 survey responses from both individuals and collective groups were received during that stage of the consultation process. In addition, Wine Australia established the CEO Roundtable Group early in 2023 with the CEOs of the top 20 levy paying wine businesses, to inform strategic priorities and shape vision. The Group continues to meet bimonthly. Regular CEO appearance at the Board meetings of AGW and ACWP, and meetings of state and regional organisations and grapegrower associations. At a more granular level, the following new R&D investments were codesigned with the sector through workshops, focus groups and one-on one discussions: <ul style="list-style-type: none"> sustainable management of scale and mealy bug the AWRI Impact portfolio covering grape and wine production and ESG
1.3	Demonstrated incorporation of industry stakeholder feedback on RD&E priorities and activities. Where incorporation is not possible, demonstration of feedback to a stakeholder	<ul style="list-style-type: none"> As noted above for the OGWSP development, feedback from the “Have your say” process was incorporated into development of the final OGWSP, specifically: <ul style="list-style-type: none"> a ‘plain English’ approach to language and tone clear delineation of what will be done and who will do it elevating the areas that require urgent attention The final version of OGWSP will be launched in early August 2024 – the launch will include explanation of how feedback has been incorporated and what actions Wine Australia will be taking to meet the objectives of the OGWSP. A soft launch with this approach was recently used with the Joint Marketing Group, a sector advisory committee, in early June and was well received. An example for a specific topic is that of new R&D on scale and mealy bug management in vineyards. In October 2023, two workshops were held on the management of the insect pests, scale and mealy bug. The first involved more than 40 researchers and industry practitioners, facilitated sharing of current knowledge about control of scale and mealy bug in vineyards and defined and confirmed the problems we need to solve. The second involved about 20 industry practitioners. An article describing the workshops and the process is available here. <p>At the second workshop, priority areas for new investment were identified by the sector and have formed the basis of new investment.</p>

¹ Note that the previous government provided Wine Australia with a [Best Practice Guide to Stakeholder Consultation](#) (Stakeholder Consultation Guide), which provided a set of guiding principles intended to apply across all Research and Development Corporations (RDCs), and placed an SFA obligation on Wine Australia to comply with the directions set out in that guide.

The Stakeholder Consultation Guide outlined:

- six guiding principles that apply to all RDCs – recognising that each RDC is different and engages differently with stakeholders
- what good stakeholder consultation looks like for our RDC, and
- how industry would like to be consulted in the identification of research, development and extension (and marketing) priorities.

The Stakeholder Consultation Guide required Wine Australia to develop an overarching Consultation Plan outlining Wine Australia’s approach to consultation, which was to be published on our website. Accordingly, Wine Australia developed an overarching [Stakeholder Consultation Guide](#), which was endorsed by the Board. We are awaiting guidance as to whether the current Minister will adopt, amend or replace the Stakeholder Consultation Guide, and what actions we will be required to take as a result.

Performance Principle 2 – Research Development and Extension (RD&E) activities

2.1	RDC investments align with strategic plans and have demonstrated outcomes to levy payers and taxpayers, including through growth in the industry, increased profitability of producers, commercialisation, access to new markets.	<ul style="list-style-type: none"> • All investments align with our <i>Strategic Plan 2020–2025</i> which aims to foster and encourage profitable, resilient and sustainable Australian winegrape and wine businesses. • Since the Strategic Plan was approved in June 2020, the operating environment within which Australian grape and wine businesses operate has significantly changed. However, sector consultation showed that the overarching aim and pillars of our Strategic Plan remained fit-for-purpose. We have therefore been able to incorporate the sector's needs in this changing environment under the auspices of the current strategic plan. • To ensure outcomes to levy payers, we apply the guiding principles of the <i>Australian Government's RDC Knowledge Transfer and Commercialisation Guide</i> in assessing proposals for new investment. In particular: <ul style="list-style-type: none"> ▸ all new investments have a feasible and effective adoption pathway ▸ intellectual property ownership and rights are contractually defined and designed to maximise adoption by levy-payers ▸ commercialisation focuses on sector benefit through adoption and on return to Australia ▸ publication is encouraged and access to funded work and global grape and wine relevant literature is available through support of the AWRI Library
2.2	<p>Levy payers who participate in RDC supported extension and adoption programs:</p> <ul style="list-style-type: none"> • gain new knowledge or new information to improve their long-term profitability, productivity, competitiveness and preparedness. • intend to make or have made changes to existing practices by adopting the outcomes of R&D 	<ul style="list-style-type: none"> • Monitoring and evaluation metrics across Wine Australia supported extension and adoption (E&A) activities indicate that events overall are delivering value, and we are meeting or exceeding our internal benchmarks of: <ul style="list-style-type: none"> ▸ 80 per cent considering them a good or very good use of levy funds ▸ 80 per cent have gained new knowledge or new information to improve their long-term profitability and sustainability ▸ 50 per cent intend to make, or have made, changes to existing practices by adopting the outcomes of R&D ▸ 80 per cent of those who've adopted agtech have a positive return on their investment. • The recent Independent Performance Review, however, found that stakeholders were unable to identify any changes to growing or production practices that have arisen from Wine Australia's investment in R&I over the past five years apart from the E&A activities coordinated by Wine Australia – the Regional Program and the Agtech program – and the National EcoVineyard program, procured through a competitive tender process. • The Review report recommended, amongst other things, that communication of outcomes and impacts needed to be improved and that Wine Australia should expand outside the current provider base, particularly for E&A where many aspects were a poor fit with stakeholder requirements. • In response Wine Australia has brought national coordination of E&A activities back to Wine Australia, appointed a National E&A manager, and will use competitive processes to procure services needed for national campaigns coordinated by Wine Australia on topics informed by the sector's priorities. • These changes are expected to both increase impact and clarify to levy payers that their levies, and the Commonwealth government matching funding, are providing this benefit to them.

Performance Principle 3 – Collaboration

3.1	Completed, current and future R&D including commercialisation opportunities is accessible through the growAG platform.	<ul style="list-style-type: none"> • We have strongly engaged with growAG since its inception. The first-time metrics showed Wine Australia's listing the second highest number of commercial opportunities on the platform of any RDC and attracting the second highest number of enquiries. • As of December 2023, the last date data was provided, there were 93 Wine Australia projects listed on the site (3% of all RDC projects), and 6 commercial opportunities (21% of all RDCs).
3.2	Number and quantum of cross-industry and cross-sector RD&E investments available.	<ul style="list-style-type: none"> • Wine Australia <ul style="list-style-type: none"> ▸ is a contributor to Agricultural Innovation Australia and is a partner on their second phase Common Carbon methods (\$50K p.a.) ▸ is a member of the Plant Biosecurity Research Initiative (PBRI; ~\$60K p.a.), and partners with other plant RDCs, organisations and providers on cross sectoral biosecurity projects through PBRI such as the ARC Industrial transformation research Hub for sustainable crop protection-Bioclave (multiple partners and RDCs; \$50K p.a.) ▸ collaborates with other RDCs through the Farmers to Founders Agtech adoption program (in kind only) ▸ collaborates with FWPA on treated timber waste (\$50K p.a.) ▸ is a partner in CRC One Basin (\$150K p.a.) on irrigation matters ▸ is a partner in CRC SAAFE (\$300K p.a.) on fungicide resistance in crops ▸ is a partner with WA DPRID, GRDC, CRDC (\$30K p.a.) on electric weed control ▸ collaborates with other RDCs on extension approaches (\$10K p.a.)

Performance Principle 4 – Governance

4.1	Ongoing oversight, planning and reporting of investment activities is done in accordance with legislative and Australian Government requirements and timeframes.	<ul style="list-style-type: none"> Wine Australia maintains a robust governance framework that ensures a clear and consistent approach to governance across the organisation. This was recently confirmed by the Independent Performance Review – the report noted the following: <ul style="list-style-type: none"> <i>There has been a transformation in governance practices over the review period. The Board is largely considered to be operating effectively with a strong governance and risk framework, appropriate and strong sub-committees and an extensive suite of policies and procedures.</i> Effective governance structures allow Wine Australia to manage affairs with proper oversight and accountability, to create value for stakeholders through sound investment and innovation and provide accountability and control systems commensurate with associated risks. In addition, Wine Australia maintains a policy framework that: <ul style="list-style-type: none"> ensures a clear and consistent governance and management approach is adopted when developing all Wine Australia policies that enables improved compliance with relevant legislative and regulatory requirements enables efficient and effective decision making, which incorporates quality assurance and risk management practices, where appropriate establishes clear accountabilities and delegated authorities for individual roles and groups.
4.2	Demonstrated management of financial and non-financial risk.	<ul style="list-style-type: none"> Wine Australia maintains a Risk Management Policy and Framework through which financial and non-financial risks are monitored. Our independently chaired Audit and Risk Committee considers new, emerging and developing strategic risks at each meeting, and the Board maintains oversight of the operational functionality pertaining to risk as prescribed in the Risk Management Policy and Framework.
4.3	Relevant policies and procedures adopted and implemented (e.g., privacy etc).	<ul style="list-style-type: none"> Wine Australia's policies and procedures comply with legislative and governance requirements, including a Privacy Policy. Policies are available to employees via on-line learning platform and the intranet with mandatory employee training program maintained in accordance with annually approved schedule. Governance registers (for example, gift register, function approval register, policy non-compliance register) are reviewed by the Audit and Risk Committee as a standing agenda item. Annual review of Policy Governance and Probity Framework Annual review of policy review schedule Compliance review and reporting obligations captured in Board and Audit and Risk Committee workplans. Conflicts of Interest and Material Personal Interests Policies.
4.4	Non-financial resources implemented effectively (Human resources, IT, IP etc).	Wine Australia maintains robust on-boarding and off-boarding policies and procedures; an Intellectual Property Management Plan, various IT policies, and a Cyber Security Policy – all of which are reviewed in accordance with the policy review schedule maintained in accordance with the Policy Governance and Probity Framework. ²

² Also of relevance to this Performance Principle is the assessment of the [Independent Performance Review](#) that Wine Australia's overheads are below the average values for the RDCs. The review report also stated the following in relation to management of financial and non-financial risks: "Wine Australia has been adept at effectively managing programs and finances under very difficult circumstances. Wine Australia's risk assessment and management practices are mature with a skilled and effective Audit and Risk Committee, greater consideration will be required in the future in assessing medium and longer-term market and strategic risks facing the sector. Considering the very difficult market circumstances facing the wine industry it will be even more important for Wine Australia to be nimble and to be able to adapt and respond to challenges and develop adaptive capacity across the organisation."



Performance Principle 5 – Monitoring and Evaluation

5.1 Impact (cost-benefit) assessment of a broad cross-section of RD&E [and marketing] investments undertaken annually.	<ul style="list-style-type: none"> • We undertake an annual cost-benefit analysis of randomly selected RD&E projects following the well-established guidelines used within the Australian rural research sector including RDCs, Cooperative Research Centres and some universities. • The results from our most recent cost-benefit analysis were all positive with benefit-cost ratios ranging from 1.6:1 to 5.2:1, the full details can be viewed here.
5.2 Demonstrated consideration of and response to outcomes of monitoring and evaluation processes.	<ul style="list-style-type: none"> • Cost-benefit analyses <ul style="list-style-type: none"> ▸ The results of annual cost-benefit analyses are a standing agenda item for the Board as part of their review of the impact of Wine Australia's investment of levies. ▸ The analyses are also used to cross check whether assumptions about impact made prior to investing were valid. ▸ In those cases where the cost-benefit analysis suggests that the projected impact will be low, a more granular assessment of the project history and management is undertaken to understand whether this was due to poor initial assessment of likely impact, flaws in the project design, poor management or due to the inherent risk in undertaking research. This information is used for continuous improvement of our R&I program activities and management. ▸ The data is also used by the Council of Rural Research & Development Corporations (CRRDC) to demonstrate the impact, effectiveness and return on investment from the Rural Research and Development Corporations (RDCs). • Monitoring and evaluation processes <ul style="list-style-type: none"> ▸ One of our responses to the Independent Performance Review recommendation to strengthen research impact, innovation and skills, is to implement formal monitoring and evaluation plans for all new R&D investments from July 2024.
5.3 Transparent communication to stakeholders (including government) on the impacts and benefits of the RD&E [and marketing] activities.	<ul style="list-style-type: none"> • Whilst the Independent Performance Review acknowledged the greater collaborative and customer-centric approach under Wine Australia's new leadership, they noted that opportunities remain to better communicate and demonstrate how this increased consultation has delivered outcomes and impacts that benefit the sector. • In response, we are implementing a more tailored approach to communications and developing metrics to measure success. This is being led by Shirley Fraser, GM Customer Engagement, who commenced in May 2024. • Our regular communication includes R&I News, fortnightly emails to states and regions, Wine Australia News, Market Bulletins, and prompt and transparent reporting via Wine Australia's website

Statement of Expectations and Statement of Intent

The Minister for Agriculture, Fisheries and Forestry, Senator the Hon Murray Watt, wrote to Wine Australia in June 2023 setting out his expectations for the delivery of Wine Australia’s regulatory functions. The Statement of Expectations provided a set of guiding principles intended to apply across all Research and Development Corporations (RDCs), and placed an SFA obligation on Wine Australia to comply with the directions set out in that guide.

In response, Wine Australia has published a Statement of Intent in both the 2023–2024 and 2024–25 Annual Operating Plans, noting 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’s Statement of Intent is also captured on page 15 (refer to Strategy 2 commentary). Wine Australia is committed to the delivering the Government’s Statement of Expectations.

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 4.

Table 4: Statement of Expectations and Statement of Intent

Principle	Implementation of Principles	Measure of Success
Principle 1 Continuous improvement and building trust – 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"> Monitoring of stakeholder satisfaction through the annual stakeholder survey. Implementation of a consultation plan that has been developed in accordance with Wine Australia’s customers. Development and maintenance of a customer engagement plan. Ongoing interaction with international fora. The undertaking of an annual review of the cost recovery statement. The development and implemented documented stakeholder consultation procedure. Significant changes to the regulatory frameworks follow stakeholder consultation. Significant changes to policies and procedures are communicated to regulated entities via a two stage process of interim, followed by final, determinations. Regular contact with regional wine grape grower and wine producers associations occurs. Maintaining the Wine Australia Licensing and Compliance Guide. Engagement with AGW as the declared representative under the Act to test suitability of the current regulatory environment. Egregious breaches are publicised. 	Reporting against implementation will be undertaken as part of ongoing review of progress against Wine Australia’s Annual Operating Plan.



Table 4: Statement of Expectations and Statement of Intent

Principle	Implementation of Principles	Measure of Success
<p>Principle 2</p> <p>Risk based and data driven – 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.</p>	<ul style="list-style-type: none"> • Maintenance of Wine Australia’s risk registry and risk framework • Board meetings carried out to review risk policy and framework and set risk tolerance. • Encouragement of innovation in data and digital space in the administration of Export Controls and LIP, for example WALAS • Demonstrated willingness to engage in activities that seek to harmonise trade with trading partners and other domestic regulators. • Maintenance of WALAS and development of LIP. • Maintenance of Wine Watch – an online anonymous reporting tool with Wine Australia investigating all alleged non-compliances reported to it. • Inspections are based on risk profile of having regard to supply and demand issues in specific regions and with certain grape varieties. • Additional information is requested from high-risk exporters (using digital technology such as WALAS to identify such exporters). • 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. • New and emerging regulatory risks are identified through maintenance of an enquiry register. • Maintenance of the exporter news which provides for regular communication to exporters. • Development of a consumer action plan which allows Wine Australia to engage with a raft of people from different sectors 	<p>Reporting against implementation will be undertaken as part of ongoing review of progress against Wine Australia’s Annual Operating Plan.</p>
<p>Principle 3</p> <p>Collaboration and engagement – regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way</p>	<ul style="list-style-type: none"> • Continuous and regular communication with stakeholder through a range of channels to ensure a two-way feedback process and continuous improvement • Maintenance of the legislative review committee to review any regulatory changes. • Wine Australia engages with the OIV and World Wine Trade Group. • Periodic review of market access risks associated with implementation of regulations. • Wine Australia’s customer engagement plan includes a schedule of educational activities and to increase awareness of requirements under the Act. • Maintenance of an email labels inbox in order for Wine Australia to provide free opinions as to labelling compliance 	<p>Reporting against implementation will be undertaken as part of ongoing review of progress against Wine Australia’s Annual Operating Plan.</p>

Performance 2023–24

Annual Performance Statement

This Annual Performance Statement for the 2023–24 annual reporting period has been prepared in accordance with section 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In the opinion of the Wine Australia Board (as the authority accountable pursuant to section 12 of the PGPA Act), the Annual Performance Statements:

- accurately present Wine Australia’s performance during the reporting period, and
- comply with subsection 39(2) of the PGPA Act.

Further information about our performance against the Annual Operational Plan can be found within the Activities and Achievements section between pages 10 and 25.

Financial overview

During 2023–24, Wine Australia recorded an operating surplus of \$4.6 million.

Our revenue comes from two main sources: winegrape growers, processors and exporters who pay statutory levies, and the Australian Government, which matches levies invested in eligible R&I activities.

There are three levies: the Wine Grape Levy and the Grape Research Levy, which are based on winegrape production, and the Wine Export Charge, which is based on the free on board (FOB) value of wine exports.

Approximately 33 per cent (\$15.0 million) of 2023–24 revenue came from the two levies and the Wine Export Charge and 20 per cent of revenue (\$9.5 million) from the Australian Government matching contributions.

Revenue from regulatory fees made up 9 per cent (\$4.2 million) of income, and activity-based user-pays wine sector contributions to marketing activities made up 6 per cent (\$3.0 million) of total revenue for 2023–24.

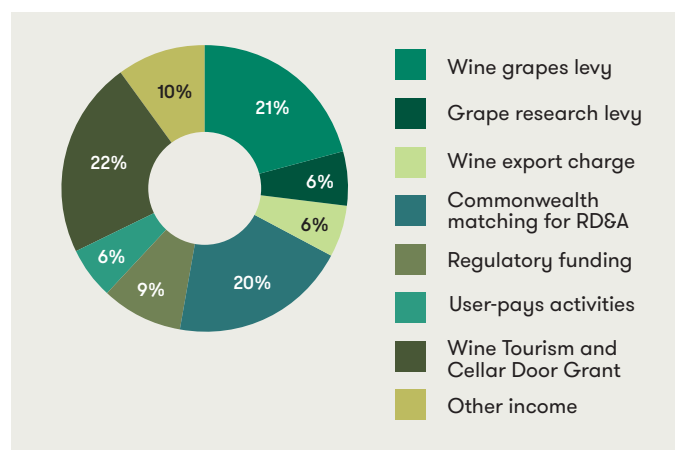
Net assets were \$10.2 million at 30 June 2024 and financial assets were \$16.3 million, all of which was cash and receivables. Payables were \$6.0 million.

Full details of our finances are included in the Financial Statements section of this report.

Table 5: Revenue by source 2023–24

Source	\$m	
Levies		
Wine grapes levy	9.77	21%
Grape research levy	2.71	6%
Wine export charge	2.57	6%
Commonwealth matching for R&I	9.49	20%
Regulatory funding	4.16	9%
User-pays activities	2.98	6%
Wine Tourism and Cellar Door Grant	10.00	22%
Other grants and income	4.76	10%
Total income	46.44	100%

Figure 5: Revenue by source (percentage of dollar value)

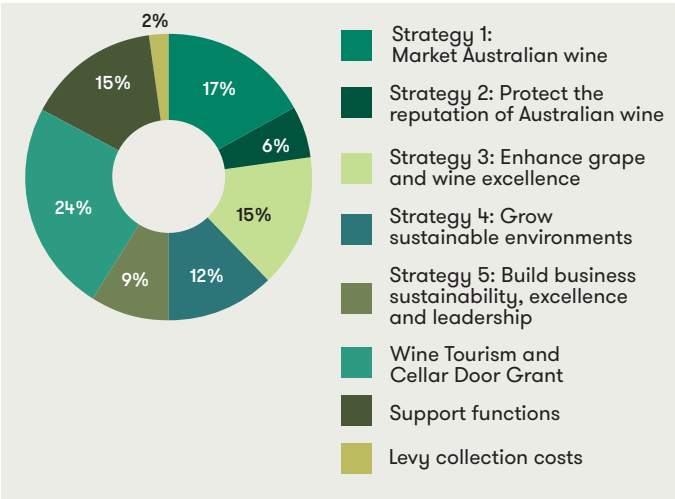


Investment Allocation

Table 6: Expenditure by strategy 2023–24

Strategy area	\$m	
Strategy 1: Market Australian wine	7.03	17%
Strategy 2: Protect the reputation of Australian wine	2.66	6%
Strategy 3: Enhance grape and wine excellence	6.10	15%
Strategy 4: Grow sustainable environments	5.17	12%
Strategy 5: Build business sustainability, excellence and leadership	3.94	9%
Wine Tourism and Cellar Door Grant	10.00	24%
Support functions	6.10	15%
Levy collection costs	0.82	2%
Total expenditure	41.82	100%

Figure 6: Expenditure by strategy (percentage of dollar value)



A balanced portfolio

Wine Australia’s *Strategic Plan 2020–25* guides the direction of our activities and expenditure and is informed by ongoing and extensive customer engagement and consultation to ensure alignment with the needs of the sector.

In 2023–24, we were able to develop our research and market development priorities based on:

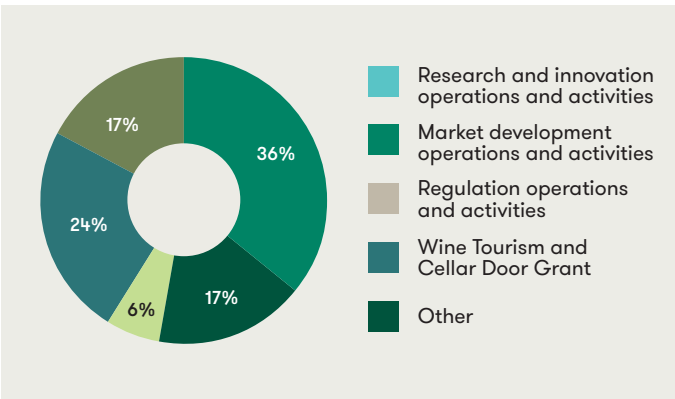
- individual and group engagements with levy-paying customers
- monthly meetings with the AGW Board and Executive
- regular meetings with Australian Commercial Wine Producers Board and Executive
- teleconferences and face-to-face meetings with state and regional representative organisations.

Wine Australia’s strategy, research and market development priorities are also shaped by input from several of AGW’s committees: the Research Advisory Committee, the Wine Industry Market Access Group, the Sustainability Advisory Committee, the DEIW committee and the Wine Industry

Table 7: Expenditure by activity area 2023–24

Activity	\$m	
Research, development and extension operations and activities	15.34	36%
Market development operations and activities	7.03	17%
Regulation operations and activities	2.53	6%
Wine Tourism and Cellar Door Grant	10.00	24%
Corporate overhead and levy collection costs	6.92	17%
Total activity expenditure	41.82	100.0%

Figure 7: Expenditure by activity area (percentage of dollar value)



Technical Advisory Committee. The Joint Strategy Committee continued to provide advice to both AGW and Wine Australia on strategy and shared strategic activities.

The *Strategic Plan 2020–25* is in turn informed by the grape and wine sector’s 30-year plan *Vision 2050*, and by the Australian Government’s Science and Research Priorities and Rural Research, Development and Extension Priorities (now renamed the National Agricultural Innovation Priorities as of 2022–23).

While we receive R&I funding from two separate levies, we do not differentiate between viticultural and winemaking research as the distinction is artificial – viticultural research often has a winemaking outcome and winemaking research often requires viticultural input.

Instead, our R&I investments aim to increase the sector’s long-term profitability and sustainability, to benefit all levy payers and the wider community.

Our investments in 2023–24 ranged from short-term projects that will be completed in two years or less, to medium-term (two to four years) and long-term projects (over four years).

We also invested across different risk categories: low-risk applied R&I, and medium- and higher-risk blue-sky research, where success is less assured, but outcomes could be very valuable to the sector.

In deciding which R&I project applications to fund, we ranked proposals by likelihood of success as well as by their extension and adoption potential. This helps us assess each proposal based on the level of benefit that would be delivered to our levy payers and to the Australian wine community. The charts and tables on the following pages provide an overview of how our investments are allocated across project term, risk category, research type and geographical focus.

Table 8: Investment by project term 2023–24

Project term	Number of projects		Actuals \$000	
Short (<2 years)	47	43%	2,264.9	18%
Medium (2–4 years)	51	46%	7,098.0	57%
Long (>4 years)	12	11%	3,190.1	25%
Total	110	100%	12,553.0	100%

Figure 8: Investment by project term (percentage of dollar value)

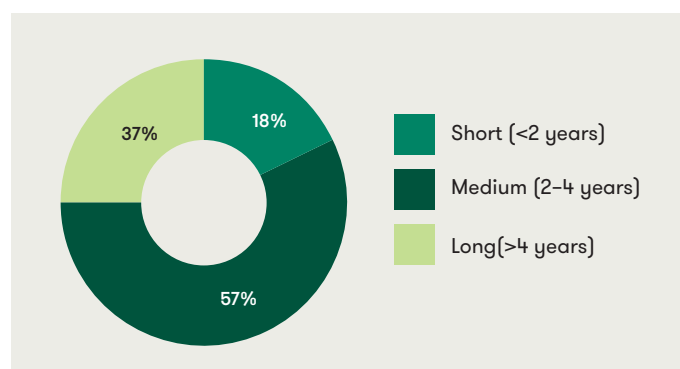


Table 9: Investment by risk category term 2023–24

Risk	Number of projects		Actuals \$000	
Low	68	62%	4,011.3	32%
Medium	22	20%	5,012.6	40%
High	20	18%	3,529.1	28%
Total	110	100%	12,553.0	100%

Figure 9: Investment by risk category (percentage of dollar value)

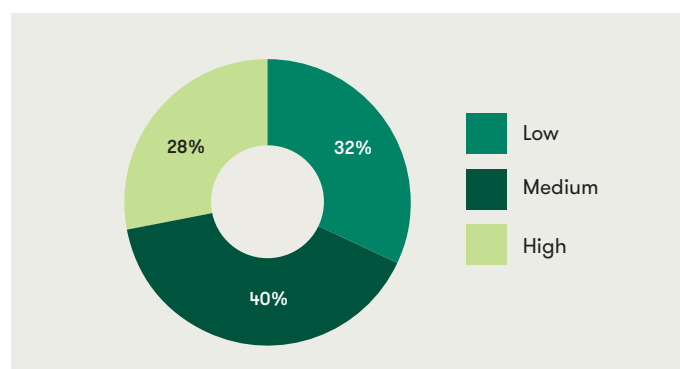


Table 10: Investment by research type 2023–24

Research type	Number of projects		Actuals \$000	
Extension	26	24%	1,707.2	14%
Capability	39	35%	1,897.4	15%
Strategic	15	14%	6,411.2	51%
Adaptive	30	27%	2,537.2	20%
Total	110	100%	12,553.0	100%

Figure 10: Investment by research type (percentage of dollar value)

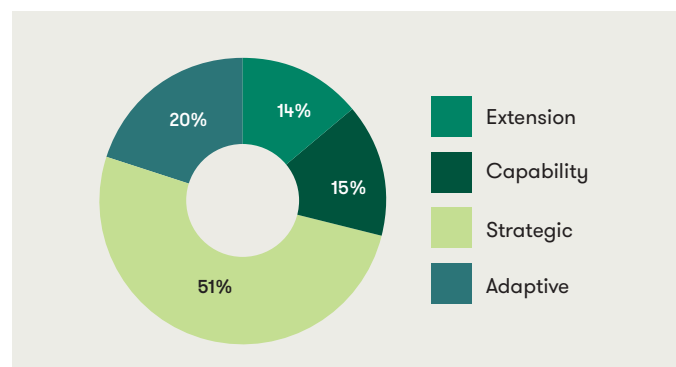
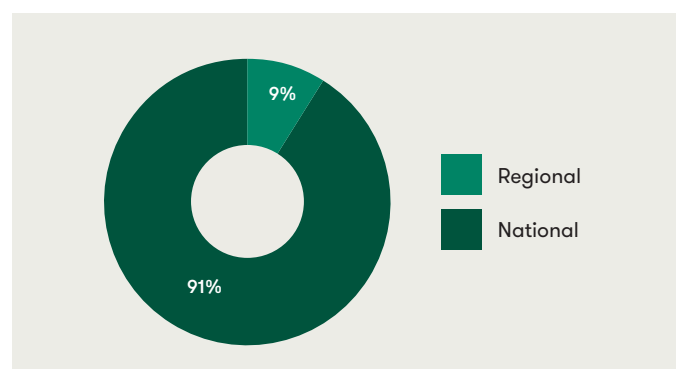


Table 11: Investment by research focus term 2023–24

Geographic focus	Number of projects		Actuals \$000	
Regional	18	16%	1,188.8	9%
National	92	84%	11,364.2	91%
Total	110	100%	12,553.0	100%

Figure 11: Investment by research focus (percentage of dollar value)



Key performance indicators

We have nine key performance indicators against which we measure and report our activities and outcomes in support of our strategic priorities and Australian Government priorities.

In 2023–24, outcomes were impacted by the continuing effects of the imposition of duties on Australian wine imported to China that were introduced in October 2020, as well as extreme weather events, geopolitical instability and economic and inflationary pressures.

The key performance indicators for 2023–24 and outcomes are detailed in Table 12.

Table 12: Performance against Agriculture Portfolio Budget Statements 2023–24 measures

Key performance indicators	Target	Outcome
Wine Australia		
We improve our stakeholder net promoter score from 2019 baseline.	Above +12	<ul style="list-style-type: none"> Wine Australia returned a net promoter score of +12 in 2023, increased from -9 in 2020–21. No stakeholder survey was issued in 2023–24, instead extensive sector consultation was undertaken from June–October 2023 to inform the development of the <i>One Grape & Wine Sector Plan</i>. A national online survey was issued as part of this consultation program, which received more than 400 responses. The consultation also included a series of in-person and virtual workshops, with at least one held in every state, with between 5 and 60 participants, The next stakeholder survey will be issued in early 2025 and will measure additional satisfaction metrics, including perception of value delivered by Wine Australia services.
R&I		
Research contracts are actively managed through regular and ongoing monitoring of the research.	100%	<ul style="list-style-type: none"> Achieved
Market Insights customers are satisfied or very satisfied with the services they receive.	>90%	<ul style="list-style-type: none"> The Grape Price Indicators dashboard has been completed and launched – on time and within budget. Rates of dashboard usage have been very high – overtaking all other dashboards in December. A revamped Market Explorer was delivered providing greater transparency of market opportunities by market and price segment. A project has commenced to build a grower grape cost benchmark tool that will assist growers to calculate the cost of grape production.
Levy payers who participate in Wine Australia-supported extension and adoption programs consider them a good or very good use of levy funds.	80%	<ul style="list-style-type: none"> With respect to the primary Wine Australia funded extension and adoption providers: EcoVineyards is focussed on practice change in vineyards across the areas of functional biodiversity, use of ground covers and soil health: During autumn 2024 workshops attracted 223 attendees with 95% participants (184 feedback forms) indicating that attendees have gained new knowledge or new information to improve their long-term profitability and sustainability compared to the Wine Australia target of 80%. Of the cohort surveyed in autumn 2024, 90% of participants indicated that they intend to make, or have made, changes to existing practices by adopting the outcomes of research. AWRI: Satisfaction and usefulness of AWRI webinars is rated highly at 99%, and this activity will continue under the new funding arrangements. Evaluation data from AWRI practice change projects is forthcoming. ASVO: 46% of attendees (n = 170) at a maintaining established vineyards seminar indicated they would be extremely likely to implement new practices based on what they heard; 33% of attendees (n = 51) at a bottling clarity seminar indicated they would be extremely likely to implement new practices based on what they heard, with 33% moderately likely. While monitoring and evaluation metrics on these major Wine Australia-supported extension activities indicate overall that they are delivering value for levy payers, we are now implementing a strategically focussed and nationally co-ordinated approach to improve impact from all extension and adoption efforts, and research impact overall.

Table 12: Performance against Agriculture Portfolio Budget Statements 2023–24 measures

Key performance indicators	Target	Outcome
Marketing		
Tier A influencers actively engage with Wine Australia.	85%	<ul style="list-style-type: none"> Marketing initiatives measured are those activities conducted by Wine Australia in market/s under the Australian Wine brand. Tier A engagement reached 82% by June 2024. Media coverage of Australian wine was 93% positive and neutral sentiment, the same as the previous year. AWD downloads declined by 40% for the year. The decline mainly took place in the second quarter due to significant download activity happening in the same quarter in the previous year due to several updates to content.
The perception of Australian wine increases in Canada, China, the UK and the USA.	Increase above 2019 baseline	<ul style="list-style-type: none"> Due to a prohibitive increase in cost, the source of this measure has changed and therefore a new baseline has been set. The results of this year's quality perception survey (Source: YouGov) were: 7.44 in Canada, 7.51 in the UK, and 7.14 in the US – resulting in an average of 7.36 (out of 10).
Wineries and distributors who participate in Wine Australia events report that they are satisfied or very satisfied.	>90 per cent	<ul style="list-style-type: none"> Wineries participating in marketing campaigns have a satisfaction rating of 92 per cent. Value rating of the Export Ready Hub was 88 per cent.
Regulatory Services		
Achieve the six key performance indicators in our Regulator Performance Framework.		<ul style="list-style-type: none"> Achieved
Through our Label Integrity Program, we inspect producers' records, focusing on those relating to wine regions and varieties in particular demand.	200 Inspections of records kept under the Label Integrity Program	<ul style="list-style-type: none"> Following the abolishment of the Regulator Performance Framework in 2021–22, we worked with the Department to develop a Statement of Intent in response to a Statement of Expectation issued in accordance with the Regulator Performance Guide published by the Department of Prime Minister and Cabinet. We promoted and monitored compliance with the Label Integrity Program (LIP) by: <ul style="list-style-type: none"> inspecting the records pertaining to more than 1300 labels prior to granting export approval to verify compliance with the record keeping requirements mandated under the LIP and the truthfulness of claims made about vintage, variety, and origin. maintaining and promoting our WineWatch portal through which suspected incidences of non-compliance can be reported anonymously. investigating all alleged breaches of the labelling and record keeping provisions set out in the Wine Australia Act 2013 and the Forest Stewardship Council (FSC). inspecting the LIP records kept by 186 Australian wine producers to verify whether records are being kept in accordance with the LIP. maintaining WALAS to ensure that product composition and label descriptions are automatically reconciled to verify compliance with the FSC and the labelling laws set out in the Wine Australia Act 2013, and launching and maintaining Export Label Image Search System.

Alignment with Australian Government priorities

Our research program investment (including administrative expenses) aligned with the Australian Government's Science and Research Priorities (Table 13) and National Agricultural Innovation Priorities (Table 14).

Table 13: Wine Australia research program spending aligned with the Australian Government's Science and Research Priorities 2023–24

Wine Australia strategies	Food 1.1	Food 1.3	Soil and water 2.2	Soil and water 2.3	Advanced manufacturing 7.1	Advanced manufacturing 7.2	Environmental change 8.1	Environmental change 8.3	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Strategy 2: Protect the reputation of Australian wine	100.0 (0.8%)	25.0 (0.2%)	0.0 (0.0%)	0.0 (0.0%)	0.0 (0.0%)	0.0 (0.0%)	0.0 (0.0%)	0.0 (0.0%)	125.0 (1.0%)
Strategy 3: Enhance grape and wine excellence	0.0 (0.0%)	2817.4 (22.5%)	0.0 (0.0%)	0.0 (0.0%)	0.0 (0.0%)	211.0 (1.7%)	0.0 (0.0%)	2313.5 (18.4%)	5341.9 (42.6%)
Strategy 4: Grow sustainable environments	0.0 (0.0%)	806.9 (6.4%)	1446.5 (11.5%)	610.9 (4.9%)	0.0 (0.0%)	54.5 (0.4%)	0.0 (0.0%)	1479.3 (11.8%)	4398.1 (35.0%)
Strategy 5: Build business sustainability, excellence and leadership	241.8 (1.9%)	2087.2 (16.6%)	14.4 (0.1%)	0.0 (0.0%)	45.3 (0.4%)	128.9 (1.0%)	6.4 (0.1%)	164.0 (1.3%)	2688.0 (21.4%)
Total	341.8 (2.7%)	5736.5 (45.7%)	1460.9 (11.6%)	610.9 (4.9%)	45.3 (0.4%)	394.4 (3.1%)	6.4 (0.1%)	3956.8 (31.5%)	12553.0 (100.0%)

Table 14: Wine Australia research program spending aligned with the Australian Government's National Agricultural Innovation Priorities 2023–24

Wine Australia strategies	National Agriculture Innovation Priorities				Total
	1. Premium products	2. Climate resilience	3. Biosecurity	4. Digital agriculture	
	\$000	\$000	\$000	\$000	
Strategy 2: Protect the reputation of Australian wine	0.0 (0.0%)	0.0 (0.0%)	0.0 (0.0%)	125.0 (1.0%)	125.0 (1.0%)
Strategy 3: Enhance grape and wine excellence	2689.4 (21.4%)	40.6 (0.4%)	199.1 (1.6%)	2412.8 (19.2%)	5341.9 (42.6%)
Strategy 4: Grow sustainable environments	3425.8 (27.3%)	871.6 (6.9%)	30.0 (0.2%)	70.7 (0.6%)	4398.1 (35.0%)
Strategy 5: Build business sustainability, excellence and leadership	144.4 (1.2%)	29.4 (0.2%)	1179.8 (9.4%)	1334.4 (10.6%)	2688.0 (21.4%)
Total	6259.6 (49.9%)	941.6 (7.5%)	1408.9 (11.2%)	3942.9 (31.4%)	12553.0 (100.0%)

Financial statements

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Australian Government

Wine Australia

Statement made by the Board of Wine Australia

This statement is made by the Board of Wine Australia (as the accountable authority pursuant to section 12 of the *Public Governance Performance and Accountability Act 2013* [PGPA Act] in accordance with subsection 16F of the *Public Governance Performance and Accountability Rule 2014* [PGPA Rule]).

We, being the undersigned, certify that in our opinion the annual performance statements prepared for Wine Australia for the 2023–24 reporting period in accordance with section 16F of the PGPA Rule:

- a) accurately present Wine Australia's performance, and
- b) comply with section 39(2) of the PGPA Act.¹ We confirm that this statement is made by the Wine Australia Board in accordance with a resolution of the Board.

Signed:

A handwritten signature in black ink, appearing to read 'M. Allan'.

Dr Michele Allan AO
Chair of the Board of Wine Australia

23 September 2024

¹ Being that they:
• provide information about the entity's performance in achieving its purposes, and
• comply with the requirements prescribed by the PGPA Rule.



Australian Government

Wine Australia

Statement by the Accountable Authority, Chief Executive and Chief Operating Officer

In our opinion, the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Wine Australia will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the directors.

Signed:

A handwritten signature in black ink, appearing to read 'M. Allan'.

Dr Michele Allan AO
Chair of the Board of Wine Australia

Signed:

A handwritten signature in black ink, appearing to read 'M. Cole'.

Dr Martin Cole
Chief Executive Officer

Signed:

A handwritten signature in black ink, appearing to read 'B. Saberton'.

Bernadette Saberton
Chief Financial Officer
(being the person responsible for the preparation of the financial statements)

18 September 2024



INDEPENDENT AUDITOR'S REPORT

To the Minister for Agriculture, Fisheries and Forestry

Opinion

In my opinion, the financial statements of the Wine Australia (the Entity) for the year ended 30 June 2024:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

- Statement made by the Accountable Authority, Chief Executive and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Directors are responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Directors are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Michael Bryant

Senior Director

Delegate of the Auditor-General

Canberra

18 September 2024

Statement of comprehensive income for the year ended 30 June 2024

	Notes	Actuals 2024 \$	Actuals 2023 \$	Budget 2024 \$
Net cost of services				
Expenses				
Expenditure on research and development projects	1.1A	12,553,033	23,845,906	18,243,000
Employee benefits	1.1B	9,700,423	9,741,880	9,458,000
Suppliers	1.1C	7,506,044	8,367,433	7,124,246
Grants	1.1D	10,000,000	10,024,119	-
Depreciation and amortisation	1.1E	1,218,747	1,260,158	1,273,000
Finance costs	1.1	7,768	21,037	8,000
Write-down of assets – Bad debts written off	1.1	3,983	21,852	2,000
Write-down and impairment of other assets	1.1	491	-	-
Net losses from foreign exchange – non speculative	1.1	41,744	84,188	-
Levy collection fees	1.1	825,156	753,155	875,754
Total expenses		41,857,389	54,119,728	36,984,000
Own-source income				
Own-source revenue				
Industry contributions	1.2A	15,041,717	17,255,387	17,861,000
Sale of goods and rendering of services	1.2B	7,160,155	6,686,685	4,276,000
Rental income	1.2C	4,673	7,036	7,000
Research and development contributions and other grants	1.2D	3,401,817	2,300,613	-
Interest	1.2E	432,052	367,133	6,000
Total own-source revenue		26,040,414	26,616,854	22,150,000
Gains				
Gains from sale of assets	1.2F	250	2,200	-
Total gains		250	2,200	-
Total own-source income		26,040,664	26,619,054	22,150,000
Net cost of services		(15,816,725)	(27,500,674)	(14,834,000)
Revenue from government				
Australian Government matching contributions	1.2G	9,493,618	11,611,072	9,744,000
Other grants from Government	1.2G	10,944,670	10,288,250	90,000
Total revenue from Government		20,438,288	21,899,322	9,834,000
Surplus/(Deficit) attributable to the Australian Government		4,621,563	(5,601,352)	(5,000,000)
Total comprehensive surplus/(deficit) attributable to the Australian Government		4,621,563	(5,601,352)	(5,000,000)

The above statement should be read in conjunction with the accompanying Notes. Commentary on budget variances has been included in Other information within the Notes.

Wine Australia

Statement of financial position as at 30 June 2024

	Notes	Actuals 2024 \$	Actuals 2023 \$	Budget 2024 \$
Assets				
Financial assets				
Cash and cash equivalents	2.1A	13,994,274	5,388,450	6,447,000
Trade and other receivables	2.1B	2,317,868	3,272,027	3,377,000
Total financial assets		16,312,142	8,660,477	9,824,000
Non-financial assets				
Buildings (Right of Use)	2.2A	593,214	918,422	580,000
Minor plant and equipment	2.2A	71,615	154,112	122,000
Other intangibles	2.2A	730,957	1,525,701	706,000
Other non-financial assets	2.2B	523,999	552,680	607,000
Total non-financial assets		1,919,785	3,150,915	2,015,000
Total assets		18,231,927	11,811,392	11,839,000
Liabilities				
Payables				
Suppliers	2.3	810,199	752,183	768,000
Research and development contracts	2.3A	1,405,762	2,161,990	2,502,000
Other payables	2.3B	3,830,916	1,010,522	223,000
Total payables		6,046,877	3,924,695	3,493,000
Interest bearing liabilities				
Leases	2.4A	625,255	947,568	586,000
Total interest bearing liabilities		625,255	947,568	586,000
Provisions				
Employee provisions	4.1	1,315,130	1,316,027	1,535,000
Other provisions	2.5A	75,000	75,000	75,000
Total provisions		1,390,130	1,391,027	1,610,000
Total liabilities		8,062,262	6,263,290	5,689,000
Net assets		10,169,665	5,548,102	6,150,000
Equity				
Retained surplus		10,169,665	5,548,102	6,150,000
Total equity		10,169,665	5,548,102	6,150,000

The above statement should be read in conjunction with the accompanying Notes. Commentary on budget variances has been included in Other information within the Notes.

Statement of changes in equity for the year ended 30 June 2024

	Actuals 2024 \$	Actuals 2023 \$	Budget 2024 \$
	2024	2023	2024
Retained earnings & total equity	\$	\$	\$
Opening balance			
Balance carried forward from previous period	5,548,102	11,149,454	11,150,000
Opening balance	5,548,102	11,149,454	11,150,000
Comprehensive income			
Surplus/(Deficit) for the period	4,621,563	(5,601,352)	(5,000,000)
Total comprehensive income	4,621,563	(5,601,352)	(5,000,000)
Closing balance as at 30 June	10,169,665	5,548,102	6,150,000

The above statement should be read in conjunction with the accompanying Notes. Commentary on budget variances has been included in Other information within the Notes.

Wine Australia

Cash flow statement for the year ended 30 June 2024

	Notes	Actuals 2024 \$	Actuals 2023 \$	Budget 2024 \$
Operating activities				
Cash received				
Australian Government matching contributions		10,040,237	13,511,307	9,744,000
Other receipts from Government		12,267,280	10,288,250	90,000
Industry contributions		14,645,420	16,614,682	17,861,000
Sale of goods and rendering of services		10,430,620	8,254,504	6,429,000
Rental income		5,140	7,740	-
Interest		432,052	367,133	6,000
Research and development contributions and refunds		2,287,127	1,848,564	-
Net GST received		1,871,200	1,590,923	2,108,000
Total cash received		51,979,076	52,483,103	36,238,000
Cash used				
Employees		(9,945,851)	(9,684,250)	(9,324,000)
Suppliers		(9,080,245)	(10,010,532)	(8,376,000)
Expenditure on research and development contracts and other grants		(24,000,535)	(35,640,606)	(18,659,000)
Borrowing costs		(7,768)	(21,037)	(8,000)
Total cash used		(43,034,399)	(55,356,425)	(36,367,000)
Net cash from/(used by) operating activities		8,944,677	(2,873,322)	(129,000)
Investing activities				
Cash received				
Proceeds from sales of property, plant and equipment		250	2,200	-
Total cash received		250	2,200	-
Cash used				
Purchase of property, plant and equipment		-	(93,483)	(110,000)
Total cash used		-	(93,483)	(110,000)
Net cash from/(used by) investing activities		250	(91,283)	(110,000)
Finance activities				
Cash used				
Principal payments of lease liabilities		(339,103)	(311,748)	(329,000)
Total cash used		(339,103)	(311,748)	(329,000)
Net cash used by finance activities		(339,103)	(311,748)	(329,000)
Net increase/(decrease) in cash held		8,605,824	(3,276,353)	(568,000)
Cash and cash equivalents at the beginning of the reporting period		5,388,450	8,664,803	7,015,000
Cash and cash equivalents at the end of the reporting period	2.1A	13,994,274	5,388,450	6,447,000

The above statement should be read in conjunction with the accompanying Notes. Commentary on budget variances has been included in Other information within the Notes.

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Overview

Objective of Wine Australia

Wine Australia is a Corporate Commonwealth entity.

The objectives of Wine Australia are to:

- coordinate or fund grape and wine research and development (R&D) and facilitate the dissemination, adoption and commercialisation of the results
- control the export of wine from Australia, and
- promote the sale and consumption of wine, both in Australia and overseas.

We seek to foster and encourage profitable, resilient and sustainable Australian wine grape and wine businesses by investing in research and development, building markets, disseminating market information and knowledge, encouraging adoption and ensuring compliance through our regulatory functions. Our governance and operations seek to achieve the best possible return on the investment of our R&D, marketing and regulatory funds.

Our vision is for Australian wine to be enjoyed and respected globally.

The Basis of Preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- section 42 of the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 General Purpose Financial Statements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

New Accounting Standards

Adoption of new Australian Accounting Standard requirements

All new, revised, amended standards and/or new, revised, amended interpretations applicable to the 2023–24 financial year did not have a material effect on Wine Australia's financial statements.

Taxation

Wine Australia is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Events after the reporting period

There has been no event after the reporting period with the potential to significantly affect the ongoing structure and financial activities of Wine Australia.

Financial performance

This section analyses the financial performance of Wine Australia for the year ended 30 June 2024.

Note 1.1: Expenses

Accounting Policy – Expenses

Research and development contracts

Most research and development (R&D) contracts require the research provider to perform services, provide facilities or meet eligibility criteria. In these cases, liabilities are recognised only to the extent that the services required have been performed or the eligibility criteria have been satisfied by the research provider. In cases where R&D contracts are made without conditions to be monitored, liabilities relating to the financial year ending 30 June 2024 are recognised on signing of the contract.

Market research costs include data and contract work completed for our market insights program.

Employee benefits

Accounting policies for employee-related expenses are contained in the People and relationships section.

Suppliers

Short-term leases and leases of low-value assets

Wine Australia has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). The entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Grants

Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services, but services have not been performed or criteria satisfied, this is considered a commitment.

Finance costs

All borrowing costs are expensed as incurred.

Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate from the beginning of each month. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated currency gains and losses are brought to account in the Statement of Comprehensive Income.

Levy collection fees

The levy collection fee is a charge from the Department of Agriculture, Fisheries and Forestry for the collection of various wine industry levies. The costs are recognised as an expense in the Statement of Comprehensive Income on a quarterly basis.

Note 1.1A: Expenditure on research and development projects

	2024 \$	2023 \$
Public sector		
Australian Government entities	2,477,714	4,430,953
State and territory governments	696,519	1,937,021
Universities and Colleges	2,707,558	1,908,856
Private sector		
The Australian Wine Research Institute	2,039,741	8,733,157 *
Other organisations	4,119,206	6,442,040 *
Market research costs	512,295	393,879
Total expenditure on research and development contracts	12,553,033	23,845,906

Note 1.1B: Employee benefits

	2024 \$	2023 \$
Wages and salaries	8,606,898	8,710,534
Superannuation:		
Defined contribution plans	669,860	615,286
Defined benefit plans	59,334	60,278
Leave and other entitlements	298,668	248,966
Separation and redundancies	65,663	106,816
Total employee benefits	9,700,423	9,741,880

* Due to the significant impact on industry revenue as a result of the lower 2023 vintage, research and development projects with research providers such as CSIRO and the Australian Wine Research Institute were varied and payments expedited in 2022-23. Therefore, some expenditure was executed in advance in 2022-23, resulting in a large difference in expenditure between 2023-24 and 2022-23 for those two entities.

Note 1.1C: Suppliers

	2024 \$	2023 \$
Goods and services supplied or rendered		
Occupancy costs	48,586	48,352
Contractors	328,224	228,424
Communications	60,198	62,730
Information technology	1,874,634	2,027,927
Marketing costs	3,418,501	4,191,313
Outside services	72,634	81,205
Travel and accommodation	405,135	587,227
Professional fees	727,601	457,277
Publications and subscription	47,896	44,776
Postage and freight	22,930	40,817
Other supplier expenses	380,316	462,691
Total goods and services supplied or rendered	7,386,655	8,232,739
Other supplier		
Variable lease payments	19,319	30,940
Audit fees	44,900	42,000
Workers' compensation expenses (Comcare)	14,191	12,453
Liability insurance expenses (Comcover)	40,979	49,301
Total other supplier expenses	119,389	134,694
Total supplier expenses	7,506,044	8,367,433

Note 1.1D: Grants

	2024 \$	2023 \$
Tourism and cellar door grants	10,000,000	10,000,000
Other grants	–	24,119
Total grants	10,000,000	10,024,119

Note 1.1E: Depreciation and amortisation

	2024 \$	2023 \$
Depreciation:		
Plant and equipment	82,005	84,998
Right-of-use assets and Leasehold improvements	341,998	334,932
Total depreciation	424,003	419,930
Amortisation:		
Intangibles: computer software	794,744	840,228
Total amortisation	794,744	840,228
Total depreciation and amortisation	1,218,747	1,260,158



Note 1.2: Revenue

Accounting Policy – Revenue

Industry contributions

Industry contributions are recognised as revenue to the extent they have been received into Wine Australia's bank account or are entitled to be received by Wine Australia at year end.

Industry contributions comprise the:

- Grape Research Levy – a levy imposed under schedule 13 of the *Primary Industries (Excise) Levies Act 1999* in respect of fresh and dried grapes, and grape juice produced in Australia. This levy is collected and paid to Wine Australia by the Australian Government – Department of Agriculture, Fisheries and Forestry. The levy rate is \$2 per tonne, of which 1.6 cents per tonne is paid directly to Plant Health Australia.
- Wine Grapes Levy – a levy imposed under schedule 26 of the *Primary Industries (Excise) Levies Act 1999* in respect of the manufacture of wine. The levy rate is stepped rate per tonne, of which 2.4 cents per tonne is paid directly to Plant Health Australia.
- Wine Export Charge – a levy imposed under schedule 13 of the *Primary Industries (Customs) Charges Act 1999* and calculated as a portion of the 'free on board' value of wine exported. This levy is collected by Wine Australia in accordance with a Collection Agreement entered into between Wine Australia and the Department of Agriculture, Fisheries and Forestry in 2015, in accordance with section 11 of the *Primary Industries Levies and Charges Collection Act 1991*.

Revenue from Government

The matching contribution from the Australian Government is provided to fund grape and wine research. It is equal to half of the expenditure of Wine Australia (excluding levy collection fees) but limited to 0.5 per cent of the estimated gross value of industry production and the cumulative total of industry contributions paid.

Other Australian Government grants are recognised when Wine Australia obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to Wine Australia, and the amount of the contribution can be measured reliably.

Sales of goods and rendering of services

Revenue from the sale of goods is recognised when control has been transferred to the buyer.

The following is a description of principal activities from which Wine Australia generates its revenue: Wine Australia's additional service income is Export Approval Service Fees and Marketing related activities.

The transaction price is the total amount of consideration to which Wine Australia expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue

Interest revenue is recognised using the effective interest method.

Rental income

Rental income arising from the sublease of a portion of the premises is recognised in revenue in the month that it relates.

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

The revenues described in this Note are revenues relating to Wine Australia's core operating activities.

Note 1.2A: Industry contributions

	2024 \$	2023 \$
Grape research levy	2,705,634	3,283,693
Wine grape levy	9,767,060	11,659,882
Wine export charge	2,569,023	2,311,812
Total industry contributions	15,041,717	17,255,387

Note 1.2B: Sale of goods and rendering of services

	2024 \$	2023 \$
Rendering of services	7,160,155	6,686,685
Total sale of goods and rendering of services	7,160,155	6,686,685

Note 1.2C: Rental income

	2024 \$	2023 \$
Operating lease		
Sublease	4,673	7,036
Total rental income	4,673	7,036

Note 1.2D: Research and development contributions and other grants

	2024 \$	2023 \$
Collaboration projects	3,294,615	2,196,400
Other	107,202	104,213
Total research and development contributions and other grants	3,401,817	2,300,613

Note 1.2E: Interest

	2024 \$	2023 \$
Credit interest	432,052	367,133
Total interest	432,052	367,133

Note 1.2F: Other gains

	2024 \$	2023 \$
Gains from sale of assets	250	2,200
Total other gains	250	2,200

Note 1.2G: Revenue from Government

	2024 \$	2023 \$
Australian Government matching contributions	9,493,618	11,611,072
Wine Tourism and Cellar Door Grant program	10,000,000	10,000,000
Grape and Wine support package	423,000	-
Improving Market Transparency in Perishable Agricultural Goods Industries Program grant	521,670	198,250
Export Market Development Grant	-	90,000
Total revenue from Government	20,438,288	21,899,322

Financial position

This section analyses Wine Australia's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

Note 2.1: Financial assets

Accounting Policy – Financial assets

Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand; and
- b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily
- c) convertible to known amounts of cash and subject to insignificant risk of changes in value

Trade and other receivables

Credit Terms for goods and services were within 30 days unless otherwise specified (2023: 30 days unless otherwise specified).

The expected credit loss (ECL) model applies to financial assets measured at amortised cost, contract assets and debt instruments measured at fair value through other comprehensive income.

Trade and other receivable assets and contract assets at amortised cost are assessed for impairment at the end of each reporting period. The simplified approach has been adopted in measuring the impairment loss allowance at an amount equal to lifetime ECL.

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Note 2.1A: Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank	13,993,838	5,387,981
Cash on hand	436	469
Total cash and cash equivalents	13,994,274	5,388,450

Note 2.1B: Trade and other receivables

	2024 \$	2023 \$
Goods and services receivables		
Services	895,530	961,583
Total goods and services receivables	895,530	961,583
Other receivables		
Australian Government matching contributions receivable	85,806	632,425
GST receivable from the Australian Taxation Office	191,587	964,546
Industry contributions receivable	1,127,391	733,500
Other receivable	23,315	3,347
Total other receivables	1,428,099	2,333,818
Total trade and other receivables (gross)	2,323,629	3,295,401
Less expected credit loss allowance		
Services	(5,761)	(23,374)
Total trade and other receivables (net)	2,317,868	3,272,027
Trade and other receivables (net) aged as follows		
Not overdue	2,248,895	3,252,493
Overdue by:		
0 to 30 days	68,973	19,534
Total trade and other receivables (net)	2,317,868	3,272,027

Refer to Note 1.2: Accounting Policy – Revenue.

All trade and other receivables are expected to be settled within 12 months.

Note 2.2: Non-Financial assets

Accounting Policy – Non-financial assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold – Minor Property Plant & Equipment

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total). The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'restoration' provisions taken up by the entity where there exists an obligation to restore leased premises to original condition. The improvement costs are included in the value of the entity's leasehold improvement with a corresponding provision for the 'make good' recognised.

Following initial recognition at cost, property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses, if any.

No indicators of impairment were found for plant or equipment.

No material plant and equipment assets are expected to be sold or disposed of within the next 12 months.

Lease Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 *Leases*, Wine Australia has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Wine Australia's financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation/amortisation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to Wine Australia using, in all cases, the straight-line method of depreciation. Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Asset class	2024	2023
Leasehold improvements	Lease term	Lease term
Plant and equipment	3 years	3 years
Intangibles	3 to 5 years	3 to 5 years
Furniture and fittings	10 years	10 years

The Depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets have been assessed internally for impairment as at 30 June 2024. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate

future cash flows, and the asset would be replaced if Wine Australia was deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

Wine Australia's intangibles comprise internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the entity's software are 3 to 5 years (2023: 3 to 5 years).

All software assets were assessed for indications of impairment as at 30 June 2024.

Prepayments

Prepayments are for goods or supplies that relate to future periods. They are expensed in the period of use.

Note 2.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles

	Buildings (Right of Use) \$	Leasehold improvements \$	Plant and equipment \$	Computer Software \$	Total \$
As at 1 July 2023					
Gross book value	1,559,381	884,505	498,093	4,925,048	7,867,027
Accumulated depreciation, amortisation and impairment	(640,959)	(884,505)	(343,981)	(3,399,347)	(5,268,792)
Total as at 1 July 2023	918,422	-	154,112	1,525,701	2,598,235
Additions:					
Purchase	-	-	-	-	-
Internally developed	-	-	-	-	-
Right-of-use assets	-	-	-	-	-
Depreciation and amortisation	-	-	(82,005)	(794,744)	(876,749)
Depreciation on right-of-use assets	(341,998)	-	-	-	(341,998)
Disposals:					
Gross book adjustment	(135,667)	-	(31,398)	-	(167,065)
Accumulated depreciation adjustment	152,457	-	30,906	-	183,363
Total as at 30 June 2024	593,214	-	71,615	730,957	1,395,786
Total as at 30 June 2024 represented by					
Gross book value	1,423,714	884,505	466,695	4,925,048	7,699,962
Accumulated depreciation, amortisation and impairment	(830,500)	(884,505)	(395,080)	(4,194,091)	(6,304,176)
Total as at 30 June 2024	593,214	-	71,615	730,957	1,395,786

Note 2.2B: Other non-financial assets

	2024 \$	2023 \$
Prepayments	523,999	552,680
Total prepayments	523,999	552,680
Prepayments expected to be recovered		
No more than 12 months	512,561	524,161
More than 12 months	11,438	28,519
Total prepayments	523,999	552,680

No indicators of impairment were found for other non-financial assets.



Note 2.3: Payables

Accounting Policy – Payables

Suppliers and research and development contracts

All payables are expected to be settled within 12 months.

Settlement is usually made:

- net 14 days for research and development contracts on completion of milestones and receipt of a tax invoice, and
- net 30 days for all other suppliers.

Other payables

Other payables include marketing-related revenue for events invoiced in advance.

Note 2.3A: Research and development contracts

	2024 \$	2023 \$
Accrued approved project expenses	1,405,762	2,161,990
Total research and development contracts	1,405,762	2,161,990

All research and development contracts payable are expected to be settled within 12 months.

Note 2.3B: Other payables

	2024 \$	2023 \$
Salaries and wages	29,770	31,082
Prepayments received/unearned income	3,801,146	979,440
Total other payables	3,830,916	1,010,522

All other payables are expected to be settled within 12 months.

Note 2.4: Interest bearing liabilities

Accounting Policy – Interest bearing liabilities

Leases

For all new contracts entered into, Wine Australia considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or Wine Australia's incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

Note 2.4A: Leases

	2024 \$	2023 \$
Lease Liabilities	625,255	947,568
Total leases	625,255	947,568
Total leases are expected to be settled in:		
Within 1 year	333,828	329,739
Between 1 to 5 years	291,427	617,830
Total leases	625,255	947,568

Total cash outflow for leases for the year ended 30 June 2024 was \$341,671 (2023: \$332,785)

Note 2.5: Provisions

Accounting Policy – Other Provisions

Makegood

Wine Australia currently has one agreement for the leasing of premises which have provisions requiring Wine Australia to restore the premises to their original condition at the conclusion of the leases. Wine Australia has made a provision to reflect the present value of this obligation.

Note 2.5A: Other provisions

	Provision for restoration \$	Total \$
As at 1 July 2023	75,000	75,000
Additional provisions made	–	–
Amounts used	–	–
Total as at 30 June 2024	75,000	75,000

All other provisions are expected to be settled in more than 12 months.

Funding

This section identifies Wine Australia's funding structure.

Note 3.1: Regulatory charging summary

	2024 \$	2023 \$
Expenses		
Departmental – Direct costs	2,524,296	2,326,801
Departmental – Indirect costs	1,900,464	1,810,201
Total expenses	4,424,760	4,137,002
External revenue		
Departmental – Sale of goods and rendering of services	4,156,242	3,134,640
Total external revenue	4,156,242	3,134,640
Amounts written off		
Departmental – amounts written off	5,983	212
Total amounts written off	5,983	212

Regulatory charging activities:

Under s. 8(f) and (g) of the *Wine Australia Act 2013* ('the Act'), Wine Australia can charge to provide services, such as its export control and certification activities.

Regulation 6(1)(a) requires exporters to be licenced, 6(1)(d) requires wines to be assessed as sound and merchantable and 6(1)(f) requires export permits to be issued by Wine Australia before wine can be exported. Furthermore s. 8(c) of the Act provides Wine Australia the power to issue certificates required to demonstrate that wine meets the requirements of the market to which Australian wine is exported.

The fees are designed to cover the costs incurred in conducting Wine Australia's export control activities and includes provision for ongoing maintenance, upgrades and enhancements of the Wine Australia Licensing and Approval System (WALAS).

Documentation (Cost Recovery Implementation Statement/s) for the above activities is available at www.wineaustralia.com/about-us/performance-and-reporting.

People and relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

Note 4.1: Employee provisions

Accounting Policy

Liabilities for short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the entity's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2024. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. Wine Australia recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

Other than a small number of staff who are members of the Public Sector Superannuation Scheme (PSS), the entity's Australian based staff are members of defined contribution superannuation funds held outside the Australian Government.

The PSS is a defined benefit scheme for the Australian Government. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The entity makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

Note 4.1: Employee provisions

	2024 \$	2023 \$
Leave	1,315,130	1,316,027
Total employee provisions	1,315,130	1,316,027
No more than 12 months	907,258	994,600
More than 12 months	407,872	321,427
Total employee provisions	1,315,130	1,316,027

Note 4.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The entity has determined the key management personnel to be the Directors and Senior Executive Managers. Key management personnel remuneration is reported in the table below:

	2024 \$	2023 \$
Short-term employee benefits	1,900,749	1,851,803
Post-employment benefits	214,486	202,811
Other long-term employee benefits	48,691	44,304
Termination benefits	175,837	-
Total key management personnel remuneration expenses	2,339,763	2,098,918

The total number of key management personnel that are included in the above table are 14 (2023: 13). Comparative figures for 2023 have been adjusted for re-classification of personnel in line with other RDCs.

Note: The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

Note 4.3: Related party disclosures

Related party relationships

Wine Australia is an Australian Government controlled entity. Related parties to the entity are Directors and Key Management Personnel, and other Australian Government Entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of grants.

The following transactions with related parties occurred during the financial year:

- Wine Australia Director, Dr. Michele Allan, AO is a Director at CSIRO and Charles Sturt University which both have multi-year research agreements with Wine Australia. The research partners received \$4,296,415 and \$1,570,929 respectively in funding throughout 2023-24. The agreements were approved in accordance with Wine Australia's procurement policy.
- Wine Australia Director, John Lloyd is a member of the governing council of Charles Sturt University. This research partner received \$1,570,929 in funding throughout 2023-24.
- A Wine Tourism and Cellar Door Grant to the value of \$54,164 was made to Taylors Enterprises, which Wine Australia Director, Mitchell Taylor, is Managing Director. The grant was approved in accordance with the regulations of the Wine Tourism and Cellar Door Grant scheme.

There were no balances outstanding at year end.

Managing uncertainties

This section analyses how Wine Australia manages financial risks within its operating environment.

Note 5.1: Contingent Assets and Liabilities

Accounting Policy – Contingent Assets and Liabilities

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

At 30 June 2024, the entity had no contingent assets or liabilities, this being consistent with 30 June 2023.

Note 5.2: Financial instruments

Accounting Policy – Financial instruments

Financial assets

In accordance with AASB 9 Financial Instruments, Wine Australia classifies its financial assets at amortised cost.

The classification depends on both the entity's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

- the financial asset is held in order to collect the contractual cash flows; and
- the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Wine Australia classifies its financial liabilities as other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

Financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Note 5.2A: Categories of financial instruments

	2024 \$	2023 \$
Financial assets at amortised cost:		
Cash and cash equivalents	13,994,274	5,388,450
Industry contributions receivables	1,127,391	733,500
Other receivables	918,845	964,930
Total financial assets at amortised cost	16,040,510	7,086,880
Total financial assets	16,040,510	7,086,880
Financial liabilities		
Financial liabilities measured at amortised cost:		
Suppliers	810,199	752,183
Research and development contracts	1,405,762	2,161,990
Total financial liabilities measured at amortised cost	2,215,961	2,914,173
Total financial liabilities	2,215,961	2,914,173

Wine Australia has no reclassifications or remeasurements of financial assets to disclose.

Note 5.2B: Net gains or losses on financial assets

	2024 \$	2023 \$
Financial assets at fair value through profit or loss		
Interest revenue	432,052	367,133
Exchange losses	(41,744)	(84,188)
Net gains on financial assets at fair value through profit or loss	390,308	282,945
Net gain on financial assets	390,308	282,945





Other information

Note 6.1: Current/non-current distinction for assets and liabilities

	2024 \$	2023 \$
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	13,994,274	5,388,450
Trade and other receivables	2,317,868	3,272,027
Prepayments	512,560	524,161
Total no more than 12 months	16,824,702	9,184,638
More than 12 months		
Buildings (Right of Use)	593,214	918,422
Minor plant and equipment	71,615	154,112
Intangibles	730,957	1,525,701
Prepayments	11,438	28,519
Total more than 12 months	1,407,225	2,626,754
Total assets	18,231,927	11,811,392
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	810,199	752,183
Grants	1,405,762	2,161,990
Other payables	3,830,916	1,010,522
Leases	333,827	329,739
Employee provisions	907,258	994,600
Total no more than 12 months	7,287,962	5,249,034
More than 12 months		
Leases	291,427	617,830
Employee provisions	407,872	321,427
Other provisions	75,000	75,000
Total more than 12 months	774,299	1,014,256
Total liabilities	8,062,261	6,263,290

Note 6.2: Budget Variances Commentary

Note 6.2: Departmental major budget variances for 2023–24

Explanations of major variances	Affected line items (and statement)
Industry Contributions Industry contributions comprise the Grape Research Levy (GRL), Wine Grapes Levy (WGL) and Wine Export charge. For the Portfolio Budget Statements (PBS), the levy income, which is payable on tonnage, was estimated at 1.4 million tonnes, however, the actual 2023 vintage was 1.32 million tonnes. There was, however, a significant amount of levies payable last year at June 30 2023, which were collected by the Department of Agriculture, Fisheries and Forestry and received by Wine Australia in 2023–24.	<ul style="list-style-type: none"> Statement of Comprehensive Income – Revenue Statement of Financial Position – Financial assets
Australian Government matching contributions The maximum Commonwealth matching receivable is capped by both the historic accumulated levies received and by the calculated Gross Value of Production (GVP) each year. Wine Australia exceeded the historic accumulated levy cap and was therefore unable to claim the maximum amount of Commonwealth matching contributions available. The unclaimed amounts can be carried over and claimed in future years, however the historic levy cap still applies.	<ul style="list-style-type: none"> Statement of Comprehensive Income – Revenue Statement of Financial Position – Financial assets
Sale of goods and services/Trade and other receivables The Portfolio Budget Statement (PBS) did not include any assumptions about the re-opening of the China Market. Additional Revenue in relation to export licences and shipping applications has been generated since the market reopened. Other additional revenues include externally funded marketing activities (see suppliers note).	<ul style="list-style-type: none"> Statement of Comprehensive Income – Revenue Statement of Financial Position – Financial assets
Research and development contributions and other grants Additional income was generated during 2023–24 in relation to new research project contributions from partners.	<ul style="list-style-type: none"> Statement of Comprehensive Income – Revenue Statement of Financial Position – Financial assets
Interest The Portfolio Budget Statement (PBS) was based on interest earned on a minimal cash balance, and at low interest rate in line with the previous years. The actual interest earned was significant in percentage and in dollar value throughout the year.	<ul style="list-style-type: none"> Statement of Comprehensive Income – Revenue Cash Flow Statement
Expenditure on research and development contracts/Research and development contracts – payables Due to the significant impact on industry revenue as a result of the lower 2023 vintage, selected research and development projects were re-negotiated, contracts updated and payments executed in 2022–23. Therefore, some expenditure was executed in advance in 2022–23 compared to the budget for 2023–24. Refer to Note 1.1.A.	<ul style="list-style-type: none"> Statement of Comprehensive Income – Expenses Statement of Financial Position – Liabilities Cash Flow Statement
Employee benefits Employee benefits include costs associated with employee restructures and previously held vacant positions filled in 2023–24.	<ul style="list-style-type: none"> Statement of Comprehensive Income – Expenses Statement of Financial Position – Liabilities Cash Flow Statement
Suppliers The increase in Suppliers includes costs associated with marketing events and activities that were externally funded by other bodies (see sale of goods and services note).	<ul style="list-style-type: none"> Statement of Comprehensive Income – Expenses Statement of Financial Position – Liabilities Cash Flow Statement
Other grants from Government/Grants The variance in income and expenditure relating to grants was the exclusion of the Wine Tourism and Cellar Door Grant program from the PBS, the program had not been contracted to Wine Australia at date of publishing the PBS.	<ul style="list-style-type: none"> Statement of Comprehensive Income – Income Statement of Comprehensive Income – Expenses Cash Flow Statement
Cash and cash equivalents/Other investments – Deposits at Bank The overall cash balance reflects the variance in results between actuals and the PBS budgeted results.	<ul style="list-style-type: none"> Statement of Financial Position – Financial assets Cash Flow Statement
Other non-financial assets – Prepayments Prepayments include various costs associated with annual subscriptions invoiced in advance, and upcoming travel in 2024–25. Last year's balance included deposits for marketing events that occurred in 2023–24.	<ul style="list-style-type: none"> Statement of Financial Position – Non-financial assets
Other payables Other payables include income received in advance for 2024–25. The largest income received in advance, was the government funding for the new grape and wine support package.	<ul style="list-style-type: none"> Statement of Financial Position – Liabilities
Retained surplus Equity balance includes funds received in advance relating to ATMAC funding for activities and in-bound visits occurring in 2024–25. The remaining reserves are split between Research and Innovation, Marketing and Regulatory Services, in line with our minimum reserves policy.	<ul style="list-style-type: none"> Changes in Equity

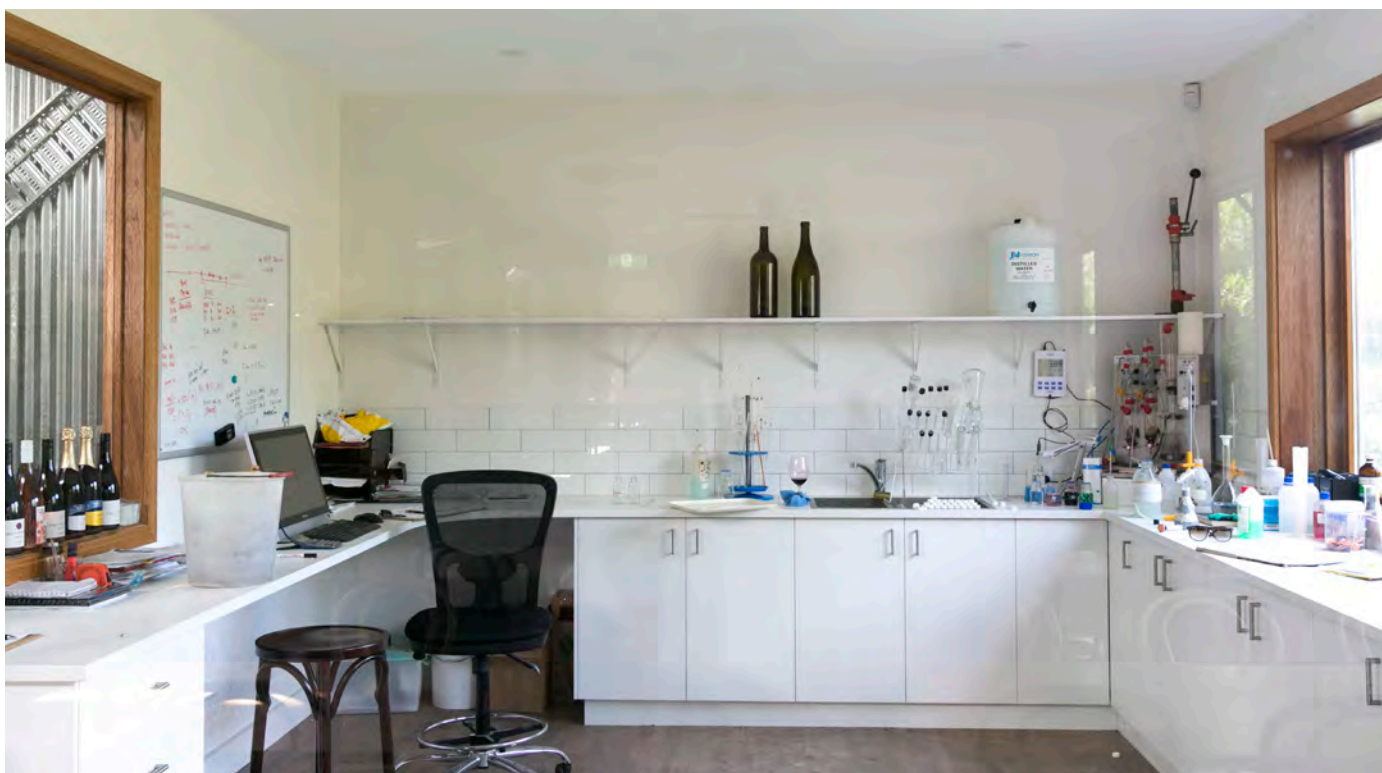
Appendices



Appendix I: R&I funded projects

Project Number	Title	Funding/returns for 2023-24 \$
Strategy 2: Protect the reputation of Australian wine		
AWR 2203	AWRI Market Access Contract	100,000
WAC 1912	Investigate market access impediments and opportunities for Australian wine by attendance at meetings of the International Organisation of Vine and Wine (OIV)	25,000
Strategy 3: Enhance grape and wine excellence		
AWR 2202	AWRI Investment Agreement	327,286
AWR 2202-3.1.2	NOLO Mouthfeel	309,685
AWR 2202-3.1.3	NOLO Flavour Stability	228,709
AWR 2202-3.2.2	Generating value from ferment CO2	121,453
AWR 2202-3.3.2	Single-step heat and cold stabilisation	220,500
AWR 2202-3.3.3	Smart surfaces	233,500
AWR 2202-3.3.5	Brettanomyces diagnostics	220,000
AWR 2202-3.3.6	Smoke Rapid Test	219,136
CSA 2301-1	Enabling technologies for production of improved clones of existing premium winegrape varieties using 'DNA-free' gene-editing	785,410
CSA 2301-2	Premium winegrape varieties with improved fungal pathogen tolerance and quality traits through gene-editing	878,318
CSA 2301-3	Durable pest resistant grapevine rootstocks and germplasm evaluation	649,731
CSA 2401	Lower alcohol wine production through application of sugar reduction technology to grape juice	164,255
CSU 1702	Strategic Research Agreement	172,130
CSU 2301	Botrytis test kit evaluation	50,281
DPI 2201	NSW DPI evaluation of second-generation disease resistant grapevines developed by CSIRO	31,459
F2F 2301	Farmers2Founders TEKfarm – Accelerating and Scaling Adoption of Drought Resilience Technologies	146,654
FOV 2201	National Grapevine Collection Coordinator	99,700
FOV 2202	Implementation of a national standard for grapevine certification – Phase 2a	37,000
FOV 2301	Virus testing of the AVIA, CSIRO and SARDI grapevine germplasm collections	740
FOV 2302	P58 virus elimination	2,820
INN 2401	Commercialisation Navigator review of Impact projects	17,500
QUT Ph2401	Organic transistors for detecting smoke exposure of grapes	4,000
UA 1803	Strategic Research Agreement – University of Adelaide	171,032
WA 1908	Assessing the practicality of the robot platforms from swarmfarm robotics	23,333
WA 2002	SAWIDS AgTech Demonstration Sites	[46,960]
WAC 2210	Spray Diary Project	21,600
WAC 2301	Segmentation of wine sector workshops (Hydra Consulting)	4,204
WAC 2304	Grapevine breeding and germplasm support	15,260
WAC 2308	Development of one-pager artefact for the Grapevine Breeding and Germplasm Program – The Growth Drivers	7,750
WAC 2316	KPMG development of mid-strength wine category opportunity assessment	138,725
WIA 2201	Collaboration agreement with NSW WIA – Wine Industry Productivity and Profitability Cluster (WIPP cluster)	86,667

Project Number	Title	Funding/returns for 2023-24 \$
Strategy 4: Grow sustainable environments		
ALO 2301	Carbon insetting for SA winegrape growers (AirborneLogic)	20,000
AWR 2301	Generating value from fermentation CO2	59,472
CSU 2402	Vineyard of the Future	1,200,000
DJP 2001	Integrated management of grapevine phylloxera: Phase II	218,255
EDG 2201	Emissions Reduction Roadmap	27,972
ESG	ESG Program initiatives	11,312
EV 2101	An adoption program for increasing the use of cover crops in vineyards and the planting of species that enhance functional biodiversity	48,600
WAC 2309	Stewardship scheme design proposal for CCA treated timber posts	16,800
HIA 2001	Plant Biosecurity Research Initiative Phase II Collaboration and Funding Agreement 2021-2023	52,969
LTU 2001	Validation and implementation of an early warning system to reduce smoke impacts from prescribed burns and bushfires on agricultural industries in Victoria	229,000
LTU 2401	Validation and scale-up of a national smoke taint prediction service for the Australian wine industry	831,507
RV 2101	National EcoVineyards Program	562,332
SWA	Support for Sustainable Winegrowing Australia	81,588
TGD 2401	Identification of investment requirements and opportunities regarding carbon insetting in vineyards	96,500
UQ 2001	ARC Research Hub for Sustainable Crop Protection	50,000
VIB 1901	Update and review of Viticulture Industry Biosecurity Plan (VIBP)	(6,705)
WA 2001	Xylella Insect Vectors (Co-funded Hort Innovation)	360,000
WA 2201	One Basin CRC Partnership Agreement	150,000
WA 2301	CRC SAAFE – Major Partners Agreement	250,000
WA 2302	What is the best fit for electric weed control in Australia?	30,000
WAC 2409	CCA post stockpile safety campaign	53,866
WIN 2401	Smoke taint analytics – Winechek and La Trobe University	54,508



Project Number	Title	Funding/returns for 2023–24 \$
Strategy 5: Build business sustainability, excellence and leadership		
AGTECH	Agtech Program	502,537
AGW 1607	ASVO Sponsorship Agreement	20,000
People Development	Alumni Support	28,292
CQU 2401	Careers in viticulture and wine: Riverland	10,000
CRRDC	Council of Rural R&D Corporations	4,203
CSU 2100	Incubator Initiative: Are Boron levels in sandy soils adequate to ensure reliable fruit set and would the application of Boron have a beneficial effect?	(6,793)
CSU 2401	Scoping study of gender equality in the Australian grape and wine sector	12,500
GRP 1701	Regional Plan – Riverina 2017–2023	(36,004)
GRP 1711	Regional Plan – Riverland 2017–2023	98,100
GRP 2301	Regional Plan – Greater NSW and ACT 2023–2028	(10,000)
GRP 2306	Regional Plan – Limestone Coast 2023–2028	50,000
IMT	Improving Market Transparency in Perishable Agricultural Goods Industries	406,919
INN 2301	Implementation support for Impact Projects (Impact Innovation)	16,830
Market Research	Market Insights	512,296
MVW 2301	Collaboration Agreement – Support for Industry Development Officer in Murray Valley	80,000
UA 2301	Further Afield Travel Scholarship	15,000
UA Ph2101	Use of activated carbon fabrics to mitigate smoke taint in grapes and wine	45,000
UA Ph2102	The role of polysulfides in the appearance of ‘reduced’ wine aromas	62,500
UA Ph2103	Driving the image and growth of NOLO wines in Australia and key export markets	45,000
UA Ph2104	Examining consumer acceptance of alternative and gene-edited traditional grape varieties	45,000
UA Ph2105	Defining the diversity and the potential applications of yeasts from Australian niches	45,000
WA 2212	Delivery of the Future Leaders Program (Pragmatic Thinking)	52,098
WA IN	Innovators’ Network – extension and adoption projects	123,560
WA Ph1902	Sustaining viticulture: How under-vine (sp. <i>Vitis vinifera</i>) cover crops affect arbuscular mycorrhizal associations, soil organic carbon composition and soil carbon stocks	(5,579)
WA Ph1904	Science to inform decision making between synthetic and alternative nitrogen sources in vineyards	10,000
WA Ph1905	From Brandewijn (burnt wine) to Bush Fires: New Directions in Australian Brandy Production	3,454
WA Ph1906	Understanding the sensory perception of ‘body’ in beer and wine	(2,319)
WA Ph1910	The role of Hydrogen peroxide (H ₂ O ₂) and Gamma amino butyric acid (GABA) in cell death in grape berry development	(877)
WA Ph2001	Engineering biosensors of wine spoilage	12,770
WA Ph2002	Engineering biosensors of smoke taint	19,605
WA Ph2003	Mitigating taint in wine due to vineyard exposure to bushfire smoke	11,403
WA Ph2005	Understanding the Relative Sustainability of Harvesting Pruned Vineyard Biomass and the Effect on Carbon Sequestration and Disease Management	5,000
WA Ph2100	Developing and applying climate smart and biochar-based innovative technologies for viticulture future in southeast Queensland	21,871
WA Ph2101	The Wine Provenance Project: Blockchain-enabled wine labels, a new era for consumer trust?	4,097
WA Ph2102	Alternatives to sulfur dioxide for controlling <i>Brettanomyces</i> spoilage in wine	9,557
WA Ph2103	Phycosol- A Novel and Integrated approach for sustainable Winery wastewater Treatment for enhancing Circular Economy	(122)
WA Ph2106	Alternate strategies and vineyard practices for reducing the risk of grapevine trunk diseases	9,846
WA Ph2200	Rapid analytical methods for early detection of smoke taint in grape juice.	15,137
WA Ph2201	One vine, two diseases: Interactions of different grapevine trunk disease pathogens within vines	8,837

Project Number	Title	Funding/returns for 2023-24 \$
WA Ph2202	Mobile RNA signalling between rootstock and scion in grafted grapevine	12,450
WA Ph2203	Monitoring Avian Functional Diversity in Vineyards Using Autonomous Recording Units and Deep Learning	15,000
WA Ph2401	Investigating Novel Germplasm Solutions: Sensory Characteristics and Consumer Acceptance of 1st Generation Mildew Resistant Varieties and Gene-Edited Grapevines	7,750
WA Ph2402	Prevalence, distribution, and role of <i>Cryptovalsa ampelina</i> in grapevine dieback in Australia.	5,404
WA Ph2403	Engineering Protein Biosensors for Detecting Smoke Taint in Wines	6,404
WA Ph2404	Understanding and improving the mouthfeel and flavour profiles of no and low alcohol (NOLO) wine	5,000
WA Ph2405	Grapevine Root Distribution and Implications for Nutrient Uptake in Cover Cropped Vineyards	1,850
WA Ph2406	Characterising Physiological, Biochemical, and Molecular Traits in Shiraz Grapevines of Varying Vine Age in Barossa Valley	2,895
WA Ph2407	Glycosyltransferases in grapevine secondary metabolism: Understanding and modifying their activity and selectivity	5,333
People Development	Careers workshops	27,506
WAC 2011	Benefit Cost Analysis (BCA) of Wine Australia R&D Investments 2019-2020	100,800
WAC 2104	VitiSynth for Australian levy payers	10,000
WAC 2108	Acting as chairperson of the Research Advisory Committee of Australian Grape and Wine Incorporated	19,026
WAC 2112	Deliver the Next Crop Leadership Program	45,000
WAC 2204	SME role for Virtual Reality Project	2,500
WAC 2211	Program Management Support (Keith Hayes)	9,561
WAC 2302	Deliver the Next Crop Leadership Program for the Tasmania Region	45,000
WAC 2401	Women in wine update study – Galbreath	10,319
WAC 2410	Australia's wine industry crisis and ways forward	56,667
WAP 2001	Wine Communicators of Australia (WCA) – Wine Industry Mentor Program	20,000
WAS 1901	Primary Industries Education Foundation Australia (PIEFA) – Partnership	20,000
WAS 1902	Diversity in Agriculture Leadership Program	15,000
		12,553,033

Provider and management codes

AGW	Australian Grape & Wine
AGTECH	Wine Australia Agtech program expenditure
ALO	AirborneLogic
Alumni Support	Supporting ongoing education and network for Future Leader's graduates
AWR	Australian Wine Research Institute
CQU	Central Queensland University
CRRDC	Council of Rural R&D Corporations
CSA	CSIRO Agriculture and Food
CSU	Charles Sturt University
DJP	Department of Jobs, Precincts and Regions
DPD	Department of Primary Industries (NSW)
DPI	NSW Department of Primary Industries
EDG	Edge Environment Pty Ltd
EV	Evidn
F2F	Farmers to Founders
FOV	Foundation Viticulture
GRP	GWRDC Regional Program
HIA	Hort Innovation Australia
INN	Impact Innovation Group Pty Ltd
LTU	La Trobe University
MVW	Murray Valley Winegrowers Inc
QUT	Queensland University of Technology
RV	Retallack Viticulture
TGD	The Growth Drivers Pty Ltd
UA	The University of Adelaide
UQ	University of Queensland
VIB	Vitibit Pty Ltd
WA	Wine Australia
WAC	Wine Australia consultancy agreements
WAP	Wine Australia Programs (e.g. Wine Communicators of Australia – Wine Industry Mentor Program and PIEFA – Curriculum development schools)
WAS	Wine Australia sponsorships
WIA	NSW Wine Industry Association
WIN	Winechek



Appendix II: Glossary

Agtech	Broadly, agtech (or agrifood tech) at Wine Australia is taken to mean digitised and technologically enabled agricultural, wine and food production, which typically involves both the collection and analysis of data to improve both on-farm and off-farm decision making, leading to better business outcomes.
AG&W	Australian Grape & Wine Incorporated, the peak sector member-based organisation. ABN 45 903 873 163
AIA	Agricultural Innovation Australia, a company targeting transformational innovation across agriculture, formed in October 2020. All 15 Rural Research and Development Corporations (RDCs), including Wine Australia, were its founding members.
APAC	Asia-Pacific region
AWRI	Australian Wine Research Institute
BCA	business-cost analysis
CRC	Co-operative Research Centre
CRRDC	Council of Rural Research and Development Corporations
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CSU	Charles Sturt University
DAFF	Department of Agriculture, Fisheries and Forestry
DFAT	Department of Foreign Affairs and Trade
E&A	Extension and adoption
ELISS	Export Label Image Search System – managed by Wine Australia to help Australian wine producers protect their intellectual property rights.
ESG	Environment, Social & Governance – a framework used to assess an organisation’s business practices and performance on various sustainability and ethical issues, and to measure risks and opportunities in those areas.
FIVS	Federation International du Vin et Spirit – international alcohol producers forum
FOB	free on board
FSANZ	Australia New Zealand Food Standards Code

FTAs	Free Trade Agreements
GI	Geographical Indications, place names associated with specific, geographically-defined and regulated grapegrowing regions
GI Committee	Geographical Indications Committee which reviews and creates GIs
GM(O)	Genetically Modified (Organism)
IMT	Inland Market Transparency Project
IMW	International Masters of Wine
IWSR	International Wines and Spirits Record
JMG	Joint Marketing Group – an Australian Grape & Wine & Wine Australia advisory committee comprised of subject matter experts from across the sector
KPIs	Key Performance Indicators
LIP	Label Integrity Program
MAT	moving annual total
NGC	National Grapevine Collection
NOLO	No-alcohol or low-alcohol wines
Non-GM	Not Genetically Modified – usually in the context of traditional breeding or selection methods
MLA	Meat and Livestock Australia
OIV	International Organisation of Wine and Vine
PBR	Plant Breeders' Rights – the botanical equivalent of a patent for the developer of a plant variety with specific characters
PGPA Act	Public Governance, Performance and Accountability Act 2013
RAC	Research Advisory Committee – an AG&W advisory committee comprised of subject matter experts from across the sector
RD&E	research, development and extension (formerly adoption)
R&D	research and development
RGI	research and innovation
the Act	Wine Australia Act 2013
SARDI	South Australian Research and Development Institute
SFA	Statutory Funding Agreement
SWA	Sustainable Winegrowing Australia
WALAS	Wine Australia Licensing and Approval System
WWTG	World Wine Trade Group

Appendix III: Compliance Index

Wine Australia's Annual Report must be prepared by the Directors of Wine Australia in accordance with section 38 of the *Wine Australia Act 2013*, section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), PGPA Rule 2014 and the Funding Agreement 2020–30.

Below is the table set out in Schedule 2A of the PGPA Rule. Section 17BE(u) requires this table be included in entities' annual reports.

Details	Page No.
Wine Australia Funding Agreement 2020–30	
Contribution to the implementation of relevant industry sector and cross-sectoral strategies under the RD&A Framework	9, 38, 40
The rationale for the mix of projects included in the Balanced Portfolio	36, 38, 44–45
Report on research extension activities	17–25, Appendix I
Collaboration with industry and other research providers	6–8, 17–25, 37, 38, 40
Identify sources of income including separate identification of the Levy, the Charge, Commonwealth Matching Payments and other forms of income including Voluntary Contributions	9, 38, 43, 54, 61–62
Full cost of R&D and other activities with costs being allocated in accordance with the Cost Allocation Policy	44–45, 73–76
Progress in implementing strategic plan including progress against the plan's KPIs	9, 11–25, 37–40,
Bring the KPIs for each program in the strategic plan and AOP together and demonstrate how the deliverables funded advanced the outcomes	11–25
Assessment of the efficiency and effectiveness of investments	6–7, 11–25, 36–40
Progress in implementing the Guidelines	36–40, 48
<ul style="list-style-type: none"> The 'Guidelines' for the Annual Report 2023–24 are the Rural RD&E Priorities, the Science and Research Priorities and the Levy Principles and Guidelines in relation to the introduction of new levies or changes to existing levies (if applicable). 	
Consultation with the ROs on plans and activities	5, 7, 15, 37, 44
Other relevant matters notified to Wine Australia by the Commonwealth by 30 June	n/a

Section	Details	Page No.
Wine Australia Act 2013		
s31K(5)(c)(d)	Particulars of a Minister's direction and any impact of the direction on the operations of the Authority	34
s38(1)(a)(b)	A report on the operations of the Geographical Indications Committee and set out all final determinations and translations of such indications made by the Committee	29
s38(1)(c)(i)	Grape or wine R&D activities coordinated or funded, wholly or partly during the period	Appendix I
s38(1)(c)(ii)	The amount spent in relation to each of those activities	Appendix I
s38(1)(c)(iii)	Which of those activities related to ecologically sustainable development (if any)	6, 20–22, 74
s38(1)(c)(iv)	The impact of those activities on the grape industry and wine industry	6, 20–22
s38(1)(c)(v)(vi)	Agreements entered into under section 10A and/or 10B and the activities during the period in relation to agreements entered into under that section	Appendix I
s38(1)(c)(vii)	The making of grants under section 10C	Appendix I
s38(1)(c)(viii)	Activities in relation to applying for patents for inventions, commercially exploiting patented inventions and granting licences under patented inventions	19
s38(1)(c)(ix)	Activities of any companies in which Wine Australia has an interest	n/a
s38(1)(c)(x)	Any activities relating to the formation of a company	n/a
s38(1)(c)(xi)	Significant acquisitions and dispositions of real property (land and buildings)	n/a
s38(1)(d)	Assessment of the extent to which Wine Australia's operations during the period have <ul style="list-style-type: none"> achieved the Authority's objectives as stated in its strategic plan implemented the AOP applicable to the period 	4–8, 11–25
s38(1)(e)	Assessment of the extent to which Wine Australia has contributed to the attainment of the objects of the <i>Wine Australia Act 2013</i>	Entire report
Schedule 12	Information from its Geographical Indications Committee on its operations	29

Section	Details	Page No.
Public Governance, Performance and Accountability Act 2013		
s39(1)(b)	Include a copy of the annual performance statements	43-71
s43(4)	Include a copy of the annual financial statements and the Auditor-General's report	43-71
s46(3)	The annual report must comply with any requirements prescribed by the rules	43-71
PGPA Rule Reference	Details	Page No.
Public Governance, Performance and Accountability Rule 2014		
s17BB	Report must be approved and signed by accountable authority and include details of how and when approval was given and state that accountable authority is responsible for the preparation and contents of the Annual Report (as required in section 46 of the PGPA Act and in accordance with the Finance Minister's Orders)	50-53
s17BC	Report must comply with the guidelines for presenting documents to the Parliament.	Entire report
s17BD	Report must be constructed having regard to the interests of the Parliament and other users. Information included in the report must be relevant, reliable, concise, understandable and balanced	Entire report
s17BE (a)	Details of the legislation establishing the body	9, 26-27, 33
s17BE(b)(i)	A summary of the objects and functions of the entity as set out in the legislation	26-29, 33
s17BE (b)(ii)	The purposes of the entity as included in the entity's corporate plan for the reporting period	9
s17BE(c)	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	34
s17BE(d)	Directions given to the entity by the Minister under an Act or instrument during the reporting period	34
s17BE(e)	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	34
s17BE(f)	Particulars of non-compliance with: a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	n/a
s17BE(g)	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	43
s17BE(h), s17BE(i)	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	n/a
s17BE(j)	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	26-31
s17BE(k)	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	26-31
s17BE(ka)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: a) statistics on full-time employees; b) statistics on part-time employees; c) statistics on gender; d) statistics on staff location	32
s17BE(l)	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	12, 26
s17BE(m)	Information relating to the main corporate governance practices used by the entity during the reporting period	26-29
s17BE(n), s17BE(o)	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): a) the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	Appendix 1
s17BE(p)	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	4-9, 34
s17BE(q)	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	n/a

PGPA Rule Reference	Details	Page No.
Public Governance, Performance and Accountability Rule 2014		
s17BE(r)	Particulars of any reports on the entity given by: the Auditor-General (other than a report under section 43 of the Act); or a) a Parliamentary Committee; or b) the Commonwealth Ombudsman; or c) the Office of the Australian Information Commissioner	n/a
s17BE(s)	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	n/a
s17BE(t)	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs)	34
s17BE(taa)	The following information about the audit committee for the entity: a) a direct electronic address of the charter determining the functions of the audit committee; b) the name of each member of the audit committee; c) the qualifications, knowledge, skills or experience of each member of the audit committee; d) information about each member's attendance at meetings of the audit committee; e) the remuneration of each member of the audit committee	29
s17BE(ta)	Information about executive remuneration	31-32, 67-68



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Hard copy ISSN 2209-8585
Digital copy ISSN 2209-8593



Australian Government

Wine Australia

