

Wine
Australia

Independent Performance Review

July 2019 to December 2022
Wine Australia response

January 2024



Message from the Chair

The Independent Performance Review, conducted by professional advisory firm ACIL Allen, is an important opportunity to gather feedback on how we are tracking in delivering outcomes for the Australian grape and wine sector. It's a requirement of Wine Australia's funding agreement with the Australian Government that our performance is independently assessed to support our continuous improvement.

The Board of Wine Australia thanks the growers, producers, researchers and sector bodies for your feedback, both positive and constructive.

The Board agrees with all of ACIL Allen's recommendations, many of which are focused on continuing the improvements that have already been identified and initiated by Wine Australia since the end of the review period. Pleasingly both our stakeholders and ACIL Allen recognise that, under new leadership, Wine Australia has made significant improvements to its stakeholder engagement processes and has begun to transition to new approaches to achieve more impactful research and innovation (R&I) and enhance Wine Australia's national brand and strategy.

The sector challenges of the past few years mean it's more critical than ever that levy-funded initiatives are co-designed with the sector and aligned with sector-wide priorities to maximise impact.

Wine Australia is fully committed to increasing stakeholder awareness of our role, responsibilities, and the outcomes of our R&I investments, so the impact (gaining new knowledge and adopting new practices) of the levy investments is increased.

Included in the following pages is a summary of the assessment and a table outlining Wine Australia's plan and timeframe to implement these recommendations.

Summary of assessment

Stakeholder engagement and collaboration

While the Performance Review acknowledges the greater collaborative and customer-centric approach under Wine Australia's new leadership, opportunities remain to better communicate and demonstrate how this increased consultation has delivered outcomes and impacts that benefit the sector. Implementing a more tailored approach to communications will be critical in this regard.

Research and innovation (R&I)

Wine Australia is focused on improving the way it engages stakeholders in R&I to increase the impact of the levy investment. Critical to this is demonstrating the benefits of our new co-design approach and outcome-focused funding models for research partners, which have greater emphasis on impact, speed, scale and the needs of the sector.

Marketing

While the Performance Review acknowledges that Wine Australia's marketing efforts are improving under new leadership and with the establishment of a representative cross-sector Joint Marketing Group (JMG), it was recognised that a refresh of its 'national brand' messaging would be beneficial, given the nuances between mature and new/emerging markets. This has been a key focus for Wine Australia and the JMG and is currently being finalised for use in 2024.

Regulation

Stakeholder sentiment indicated that Wine Australia's regulatory functions largely exceed industry expectations and there is overwhelmingly positive sentiment for this function. The [Statement of Expectations](#) and [Statement of Intent](#) will continue to be an important document for how Wine Australia undertakes its regulatory posture going forward.

Communication of outcomes and impact, including extension and adoption

Wine Australia is committed to increasing stakeholder awareness of practice changes that have arisen from Wine Australia's investments in R&I. While the Performance Review acknowledges that Wine Australia has funded and delivered projects of impact, with positive returns on investment to levy payers, stakeholder feedback suggests there's a lack of clarity around which initiatives are funded by Wine Australia. Our communication and other extension and adoption (E&A) efforts will have an increased focus on impactful topics informed by the sector's priorities using a national campaign approach.

Building adaptive capacity and the right capability

The Performance Review highlighted that, to effectively deliver outcomes and impact to the sector, Wine Australia needs to consider its capability and adaptive capacity needs and commit itself to core functions, noting the significant reduction in levy funds. Capability needs to be fit for purpose to drive action, while being responsive to changing government priorities, priorities identified in the *One Grape & Wine Sector Plan* and market developments – such as China's review of import duties on Australian wine. Wine Australia's structural adjustments across the extension and adoption (E&A) portfolio and work with Australian Grape & Wine and the Australian Government to keep industry informed during China's review process are recent examples of Wine Australia's responsiveness to changing circumstances.

The Board and Wine Australia team are energised by the constructive findings of ACIL Allen's final report. We are committed to delivering real impact for growers, wine producers and exporters through investments that are aligned to sector-wide priorities. We look forward to further strengthening our business processes and stakeholder relationships to help drive a competitive, prosperous and sustainable Australian grape and wine industry built on innovation.

Dr Michele Allan AO

Chair



Recommendations and company response

	Recommendation	Priority	Company response	How we will measure delivery
1.	Clarify and communicate Wine Australia's roles and responsibilities with a robust engagement and communication approach	Very high	<p>Agree</p> <p>The customer-centric strategy that Wine Australia's initiated since the end of the Performance Review period will include a renewed focus on effectively communicating Wine Australia's roles and responsibilities both internally and externally. This will be done in conjunction with relevant sector bodies.</p>	Agreed metrics will be established by the end of March 2024 to track stakeholder engagement with our communication efforts both within and outside the organisation, including use of the annual Staff and Stakeholder Engagement Surveys (by the end of December 2024) to measure stakeholder awareness of Wine Australia's roles and responsibilities.
2.	Manage strategic and systemic risks and expectations beyond operational risks.	Very high	<p>Agree</p> <p>Wine Australia will review and update its existing risk register considering core and non-core functions, as well as emerging risks associated with new initiatives, shifting priorities or stakeholder expectations.</p>	The risk register will be reviewed, assessed and updated every 6 to 12 months for tabling at both Audit & Risk Committee and Board meetings. The probability of any emerging risks will be highlighted, along with the likely impact on business or sector operations.
3.	Strengthen research impact, innovation and skills	High	<p>Agree</p> <p>The new co-design principles that Wine Australia has developed since the end of the Performance Review period, to strengthen the scale, impact, innovation and skills across research and innovation (R&I) projects, will be applied across all initiatives where practicable, giving consideration to capacity and capability requirements as outlined in recommendation (5).</p> <p>An example of these co-design principles being applied since the end of the Performance Review period is Wine Australia's work on the grapevine breeding program with CSIRO.</p> <p>This is a longer-term, scaled initiative with opportunities for leveraging. It will lead to commercialisation of leading-edge breeding technology as well as some short-term successes – facilitating adoption of existing new varieties.</p>	<p>Co-design principles will be incorporated into new R&I investments where practicable.</p> <p>Monitoring and evaluation plans for new R&I investments will be implemented from July 2024.</p> <p>An external review of our progress against this recommendation will be conducted by December 2024.</p>

Recommendation	Priority	Company response	How we will measure delivery
Focus on implementation and communicating outcomes and impacts from core functions			
4a. Monitor and report on transition to implementation	Very high	<p>Agree</p> <p>A transition and implementation update will be developed to monitor and report progress on implementation of crucial plans on a six-monthly basis until the plan is effectively achieving outcomes.</p>	<p>The transition and implementation update will be published on Wine Australia's website and regularly monitored and updated every six months, so that stakeholders are aware of the progress being made.</p>
4b. Develop and implement a new strategic plan	Very high	<p>Agree</p> <p>On completion of the <i>One Grape & Wine Sector Plan</i>, Wine Australia will integrate any strategic priorities within its remit (as set out in the <i>Wine Australia Act 2013</i>) through its Annual Operational Plans (AOPs) and <i>Strategic Plan 2025–30</i>. Consideration will be given to recommendations (3) and (5) when developing future plans.</p>	<p>Wine Australia's future AOPs and <i>Strategic Plan 2025–30</i> will identify how any strategic priorities from the <i>One Grape & Wine Sector Plan</i> within Wine Australia's remit have been incorporated. This information will be communicated to stakeholders in alignment with the following key dates.</p> <ul style="list-style-type: none"> • Final <i>One Grape & Wine Sector Plan</i> approved March 2024 • <i>Wine Australia's Strategic Plan 2025–30</i> drafted September 2024 • <i>Wine Australia's Strategic Plan 2025–30</i> finalised March 2025 • <i>Wine Australia's Strategic Plan 2025–30</i> effective 1 July 2025 • <i>Wine Australia's Annual Operational Plan 2024–25</i> effective 1 July 2024
4c. Collaborate outside the current provider base	Very high	<p>Agree</p> <p>In addition to maintaining critical sector capability, Wine Australia will invest in capability that's relevant to the sector's needs and strategic priorities identified in the <i>One Grape & Wine Sector Plan</i>, which may include collaboration outside of the current base.</p> <p>Wine Australia will also bring national coordination of selected R&I and extension and adoption (E&A) activities back to Wine Australia and use competitive processes to procure services needed for national campaigns coordinated by Wine Australia on topics informed by the sector's priorities.</p> <p>This will broaden our provider base (in accordance with this recommendation) and address recommendations 3 and 4 (d) regarding delivering greater impact from R&I investment.</p>	<p>National coordination of E&A by Wine Australia and use of competitive processes to procure E&A services will be implemented by June 2024.</p>

	Recommendation	Priority	Company response	How we will measure delivery
4d.	Improve communication of outcomes and impacts	High	<p>Agree</p> <p>The customer-centric approach initiated since the end of the Performance Review period will enhance the way Wine Australia communicates investment outcomes and impacts to its stakeholders.</p> <p>As noted in 4 (c), in returning coordination of E&A to Wine Australia, we will focus our communication and other E&A efforts on impactful topics informed by the sector's priorities using a national campaign approach. Diversity in providers and voices is our intention – this includes leveraging the capability of state and regional industry associations.</p>	<p>Methods for measuring the success of refreshed communications will be embedded across the organisation and will inform continuous improvement by December 2024.</p> <p>Increased satisfaction and familiarity with R&I outcomes and impacts will be measured through Wine Australia's annual <i>Stakeholder Engagement Survey</i> to be conducted by December 2024.</p>
5.	Build adaptive capacity and the right capability	Very high	<p>Agree</p> <p>As mentioned at 4 (c), in addition to maintaining critical sector capability, Wine Australia will assess its capacity to respond to priorities identified by industry in the <i>One Grape & Wine Sector Plan</i>, and will invest as required.</p> <p>Also as noted above for recommendation 4 (c), as part of returning coordination of E&A to Wine Australia, we will enhance Wine Australia's internal capability through the appointment of a dedicated E&A coordinator via an existing unfilled and budgeted position.</p>	<p>A fit for purpose capacity and capability model across all areas of Wine Australia's (core) functions will be developed by December 2024 in conjunction with Wine Australia's <i>Strategic Plan 2025–30</i>, commencing 1 July 2025.</p>
6.	Be more adaptive and responsive to stakeholder feedback and internal monitoring and evaluation processes	Medium	<p>Agree</p> <p>Wine Australia will improve and clarify how industry stakeholders can see their input reflected in key activities and projects.</p> <p>Wine Australia is also using the <i>One Grape & Wine Sector Plan</i>, which was informed by an extensive sector consultation process, to inform its next <i>Strategic Plan 2025–30</i>.</p>	<p>Wine Australia will include additional context to clarify how stakeholder feedback has been incorporated into future Annual Operational Plans and other relevant key activities and projects by 30 April 2024.</p>

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