



**SUSTAINABLE  
WINEGROWING  
AUSTRALIA**



## ANNUAL OPERATING PLAN

1 OCTOBER 2020 –  
30 JUNE 2021

# SUSTAINABLE WINEGROWING AUSTRALIA

## OVERVIEW

### What we do

Sustainable Winegrowing Australia is Australia's national program for grapegrowers and wine producers, which they use to demonstrate and continuously improve their sustainability credentials in the vineyard and winery. Sustainable Winegrowing Australia provides the framework for internationally recognised sustainability certification in the vineyard and winery.

### Who we are

Sustainable Winegrowing Australia is governed by a joint steering committee, comprising Australian Grape & Wine (AGW), The Australian Wine Research Institute (AWRI) and Wine Australia.

- AGW provides the oversight and guidance of the program, liaises with the Australian and state governments and consults with the sector's key stakeholders on policy and development.
- The AWRI provides the management and administration of members, program management, technical development, and extension and adoption activities.
- Wine Australia provides the marketing and communications to help attract and retain members for the program and to promote Australia's sustainability credentials to key stakeholder groups globally.

### Our stakeholders

Our primary stakeholders are the members of Sustainable Winegrowing Australia. Other stakeholders include those employed by grape and wine businesses; wine wholesalers and retailers; national, state and regional representative organisations; the Australian and state governments; wine industry suppliers; wine customers and consumers; the media and the three partner organisations (AGW, the AWRI and Wine Australia).

Our funders include grapegrowers and wine producers who contribute through program membership fees. AGW, the AWRI and Wine Australia provide cash and in-kind contributions to drive the success of Sustainable Winegrowing Australia. The program also attracts support through external grants.

### Measuring success

We measure and assess our achievements against our strategies through key performance indicators (KPIs) and we report against our KPIs monthly.

### Sustainability strategic priorities for the wine sector



# CHAIR'S NOTE

The wine sector has a long history of working collaboratively. Our commitment to work together to support and grow Australia's national sustainability program, Sustainable Winegrowing Australia, is one such example. We believe that sustainability is an essential element of the ongoing success of the Australian grape and wine sector.

Australian Grape & Wine recently set a bold vision, outlined in *Vision 2050*, for the wine sector to be carbon neutral and have zero net waste by 2050. At the same time, we are striving to optimise the use of our precious and scarce resources and to embrace other measures that minimise our impact on our environment.

The global environment is rapidly changing, with ever increasing scrutiny being placed on the management of climate change, sustainable development and protecting peoples' well-being. Both the United Nations Framework Convention on Climate Change and the Paris Agreement recognise the direct role our sector can play in mitigating climate change and in building a more robust transparency framework. Sustainable Winegrowing Australia helps us to fulfil this role.

The prosperity of Australia's 6,000 grape producers and 2,500 wine producing businesses relies on maintaining a social licence to operate. This requires commitment to retaining the trust of not just our domestic customers but a much broader set of stakeholders. Our ability to demonstrate this kind of leadership provides an important advocacy platform that will enhance our reputation with the community and our relationship with Government.

Australia's grape and wine producers are well known for their commitment to sustainable production and continuous improvement. We are thoughtful custodians, actively practising in a sustainable way. But in a changing environment of increased scrutiny, this reputation should not be taken for granted.

It's now time for all Australian grape and wine producers to publicly commit to sustainability to allow us to collectively demonstrate our nation's credentials around the globe.



Tony Battaglene  
Joint Steering Committee Chair &  
CEO, Australian Grape & Wine





Wirra Wirra, McLaren Vale. Winery certified member.

Photo: Wine Australia

# THE PROGRAM

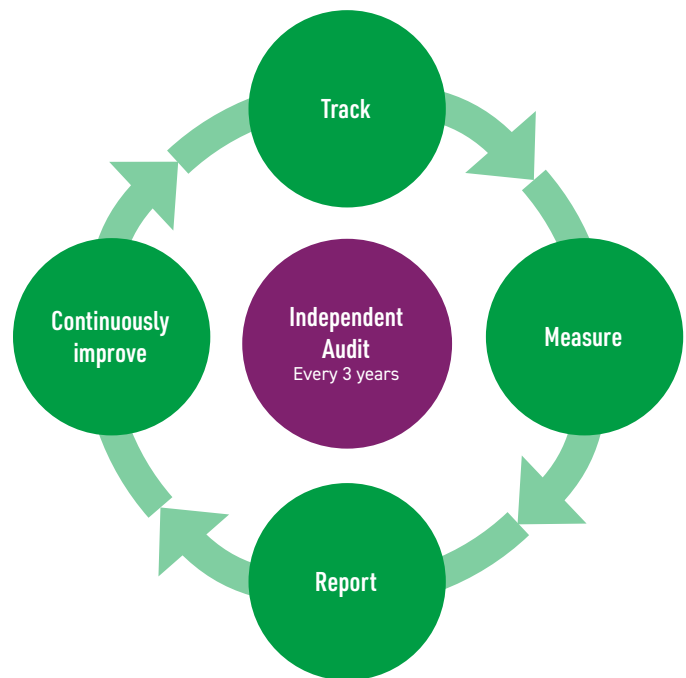
## Membership

Members of Sustainable Winegrowing Australia commit to the program because they recognise the importance of environmental, social and economic sustainability for their business and the sector. They care about protecting and enhancing the environment for the future, through excellence in sustainability practices today.

Becoming a member is easy. For a minimal annual fee, the national program provides a simple online reporting framework, practical tools and access to benchmarking data. The aim is for all producers to achieve business efficiencies, cost savings and increased business value over the long term while improving their environmental practices.

The program fosters stronger relationships between growers and wineries. It also provides authority and confidence to customers, who receive reliable certified products to address growing global consumer demand. No matter where a grapegrower or wine producer is on the journey, the program is relevant and user-friendly. It provides a clear pathway to becoming a Certified Member, with the full support of the AWRI along the way. Certified members are required to commit to an independent audit once every three years.

## Key steps of the program:



## Benefits of becoming a Certified Member include:

- peace of mind that your sustainability claims have been independently verified
- use of a certified trust mark – an assurance to customers and consumers of how the product is produced
- enhanced international marketing opportunities through Wine Australia's marketing events programs
- integration of sustainability stories into Wine Australia's education and content for customers and consumers.





# PUTTING THE SECTOR FIRST. PLANNING FOR SUSTAINABILITY, PROFITABILITY AND INNOVATION.

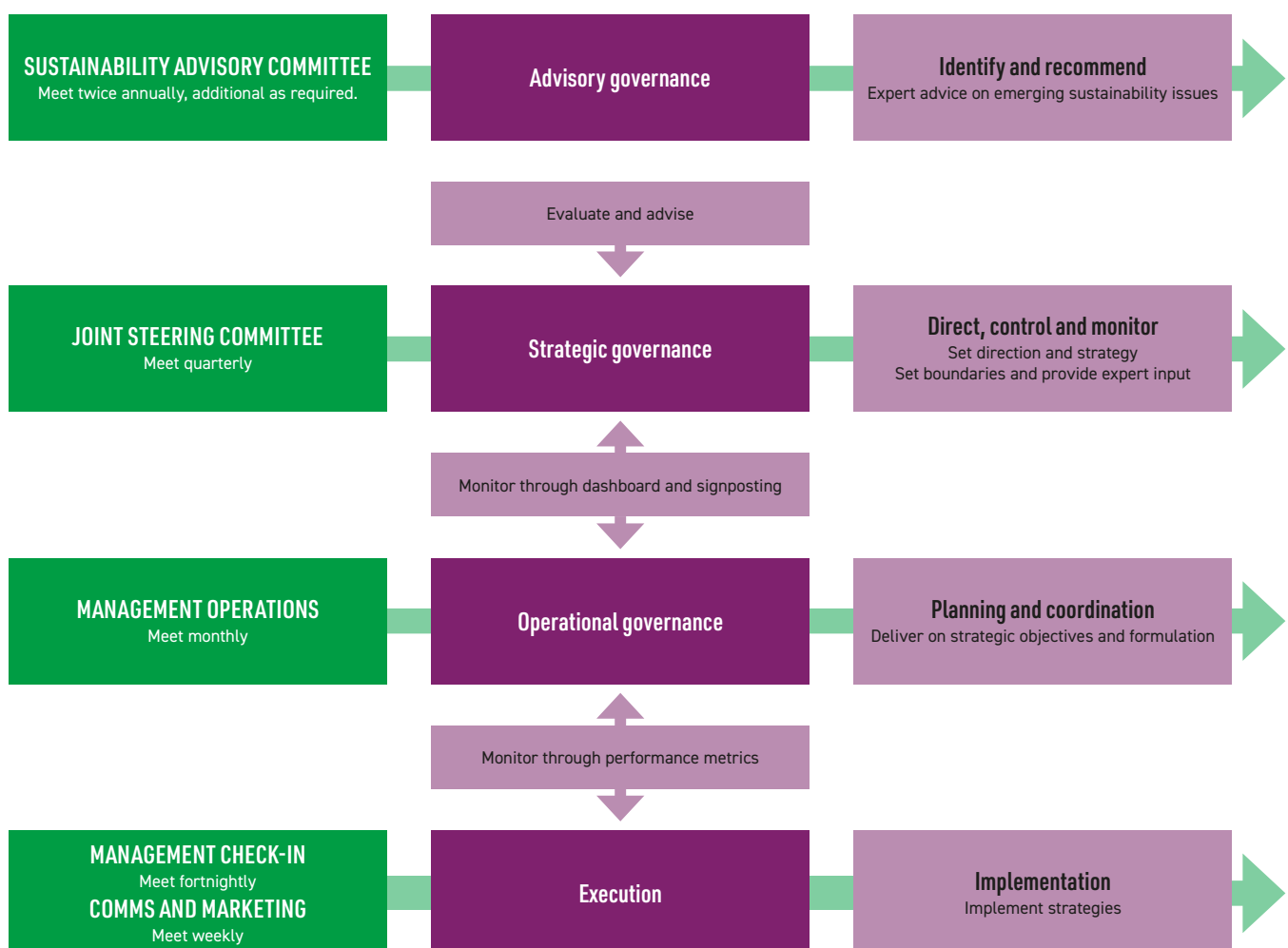
Sustainable Winegrowing Australia is governed by a Joint Steering Committee (JSC), on behalf of the whole Australian grape and wine sector, with representatives from AGW, the AWRI and Wine Australia. Helping to inform the JSC on emerging sustainability issues is a Sustainability Advisory Committee with representation from across the sector.

The program is informed by AGW's *Vision 2050* and the sector's priorities as reflected in the strategic plans of Wine Australia and the AWRI.

Australia is making some of the best wines it has ever made, at all price points, and export figures remain favourable around the globe. The Australian grape and wine community is focused on strategies to continuously improve quality, understand region and site, improve competitiveness and communicate Australia's wine offering to the world.

Increasing environmental and ethical consumer preferences, currency fluctuations, evolving regulations, intense international competition, reduced water availability, climate variability, an increased focus on the role of wine in society and increasing competition for agricultural land continue to play a significant role in the future sustainability of the sector.

The consultation process with the sector, suppliers and government is ongoing and feedback is welcomed and actively sought.





Taylor's, Clare Valley. Vineyard and winery certified member.

Photo: Wine Australia

# PRIORITIES FOR PROFITABLE, RESILIENT AND SUSTAINABLE WINEGRAPE AND WINE BUSINESSES.

Sustainable Winegrowing Australia members recognise the importance of environmental, social and economic sustainability for their business and the sector.

Australia's grapegrowers and wine producers want to nurture and protect the environment for future generations. They recognise that the sector must provide sound stewardship of the planet through environmentally sensitive practices, be an active contributor to the protection of natural capital and work to eliminate waste and carbon emissions.

Technical innovations, such as robotics, artificial intelligence and the Internet of Things look set to

revolutionise viticulture. These and other innovations such as improved varieties will be used to tackle serious threats posed by climate change (e.g. extreme weather events), increasing scarcity and cost of inputs such as energy, water, and labour, along with heightened risks from pests and diseases.

Wine Australia and the AWRI have outlined initiatives in their strategic plans that will help achieve AGW's *Vision 2050* and will benefit Australia, the sector and the Sustainable Winegrowing Australia community.







Priority	Wine Australia Strategic Plan Initiative	AWRI Strategic Plan Initiative
<b>Zero waste</b> 	New knowledge allows the sector to establish waste production benchmarks (4.2)	Vineyard and winery production processes to enhance product premiums or reduce cost, with a focus on areas of greatest impact, such as cold stabilisation, ageing, storage and packaging (3.1)
		Maximisation of reuse of vineyard waste (4.2)
<b>Valuing water</b> 	A better understanding of vine water use contributes to better irrigation scheduling processes that allow more efficient and effective use of water (4.4)	An improved understanding in the grape and wine sector of how increased temperature, increased CO <sub>2</sub> and reduced water can affect grape and wine production (4.1)
	Best-practice irrigation scheduling to optimise water use efficiency is adopted by an additional 30 per cent of growers in warm irrigated regions (4.10)	Strategies for managing vintage compression, extreme weather events, reduced water availability and/or changing rainfall patterns and climate-related compositional changes (4.1)
		Monitoring of major natural resource metrics – water, energy, soils, fertilisers, agrochemical sprays, flora/fauna (4.2)
<b>Landcare and biodiversity</b> 	Research delivers clear information about the value of soil remediation processes and enhancing functional biodiversity. (4.5)	Monitoring of major natural resource metrics – water, energy, soils, fertilisers, agrochemical sprays, flora/fauna (4.2)
	The use of vineyard cover crops and soil remediation practices has increased by 10 per cent (4.8)	Participation in Australia's biosecurity networks including provision of relevant technical support (4.5)
	The land area dedicated to enhancing functional biodiversity has increased by 10 per cent (4.9)	
	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. (4.7)	





Photo: Wine Australia

Priority	Wine Australia Strategic Plan Initiative	AWRI Strategic Plan Initiative
<b>Clean environment</b> 	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 (3.5)	Improved practices & strategies for sustainable management of pests and diseases (1.5 & 4.5)
	New and improved practices for sustainable management of endemic pests and diseases are available to the sector (4.6)	Monitoring of major natural resource metrics – water, energy, soils, fertilisers, agrochemical sprays, flora/fauna (4.2)
	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. (4.7)	Participation in Australia's biosecurity networks including provision of relevant technical support (4.5)
<b>Adapting to climate change</b> 	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. (4.3)	Evaluation of climate adaptation strategies and support for their adoption to alleviate impacts of long-term warming and prolonged seasonal heat events (4.1)
		Strategies for managing vintage compression, extreme weather events, reduced water availability and/or changing rainfall patterns and climate-related compositional changes (4.1)
	New knowledge allows the sector to establish a carbon emissions benchmark (4.1)	An improved understanding in the grape and wine sector of how increased temperature, increased CO <sub>2</sub> and reduced water can affect grape and wine production (4.1)
<b>Sits across all priorities</b> 		Enhancement of Australia's competitive advantage through increased economic, social and environmental sustainability in the vineyard and winery (4.2)
		Streamlined platforms for grapegrowers and winemakers to track sustainability metrics (4.2)

# SUSTAINABLE WINEGROWING AUSTRALIA

## STRATEGIC GOALS

We have set ambitious goals to increase the membership, delivery and recognition of Sustainable Winegrowing Australia and we will measure our success using key performance indicators (KPIs). We believe that it is important to measure and assess the effectiveness, efficiency and transparency of our activities, investments and operations.

### Pillar 1 – Attract and retain members

The FY21 plan is focused on marketing domestically to grow membership amongst grapegrowers and wine producers large and small, and on strengthening engagement with regional and state bodies.

Goal/Milestone	Measure of success
Create a brand positioning and proof points for the program	<ul style="list-style-type: none"> <li>Positioning completed by end March 2021.</li> </ul>
Qualify positioning and key messages with the sector through a survey	<ul style="list-style-type: none"> <li>50% survey response rate of members</li> <li>25% survey response rate of non-members (statistically significant responses by state)</li> <li>Identification of 5 key messages that resonate and motivate to join the program</li> <li>Identify barriers of entry to joining the program for each state (a min. 10 regions)</li> </ul>
Membership growth: Raise awareness of the program & its benefits through clear and compelling communications.	<ul style="list-style-type: none"> <li>Increase from 23% of vineyard areas managed in FY19 to 30% FY20</li> <li>Increase from 18% of crush in FY19 to 25% in FY20</li> <li>Achieve 1 new site membership from remaining 40% of Australia's 10 largest wine producing companies that are not currently members</li> <li>Increase of 15% of the number of sites within Australia's top 10 largest wine producing companies</li> <li>Increase of 10% of members up from FY20</li> <li>30% of regional wine associations using program communications</li> <li>100% of state wine associations engaged and using program communications</li> </ul>
Create a compelling reason to become certified	<ul style="list-style-type: none"> <li>Clear level of differentiation between a Member and a Certified Member and incentives for certification</li> <li>50% of certified members using the trust mark by end FY21</li> <li>5% of new members complete certification training in their first year of membership</li> </ul>
New standalone website	<ul style="list-style-type: none"> <li>Launch by end March 2021</li> <li>Increase monthly unique page views by 30%</li> </ul>

## Pillar 2 – Delivery, extension and continuous improvement of the program

The program will be supported by annual collection, management and review of sustainability data that will be compiled to form member benchmarking reports. As part of the continuous improvement of the program, content will be reviewed in consultation with the Sustainability Advisory Committee (SAC), and changes incorporated bi-annually. Existing sustainability metrics and benchmarking reports will be enhanced with the integration of agrochemical use data.

Auditing arrangements will also be reviewed to identify and overcome barriers to certification and the capacity of members to achieve certification will be increased with online certification training. The ongoing value and continuous improvement of the program will be underpinned by research projects delivered in partnership with the Food Agility Cooperative Research Centre (FACRC) and other organisations.

Goal/Milestone	Measure of success
Annual collection of sustainability metrics and best practice performance data	<ul style="list-style-type: none"> <li>95% of members complete their data entry by the deadline</li> </ul>
Annual second party review of member data and delivery of benchmarking reports to members	<ul style="list-style-type: none"> <li>100% of members have access to their individual benchmarking reports in October each year</li> </ul>
Create a clear pathway to certification	<ul style="list-style-type: none"> <li>Develop tools and resources that illustrate the pathway to certification and simplify continuous improvement</li> </ul>
Increased capacity for growers and winemakers to achieve certification	<ul style="list-style-type: none"> <li>Online certification training platform is developed and trialled by end FY21</li> <li>5 training sessions held (capped at 15 people per session) delivered in FY21</li> </ul>
Program content (workbook and metrics) is reviewed in consultation with the SAC, including an assessment of alignment with UN SDGs	<ul style="list-style-type: none"> <li>Create SAC working group and meet 3 times by end FY21</li> <li>Revised workbook launched in July 2021 (and every 2 years thereafter)</li> <li>Identify strongest alignment with up to 4 UN SDGs by Dec 20</li> </ul>
An agrochemical use database with appropriate reporting, and spray diary data transfer protocols is integrated into the program, which enables performance benchmarking by members	<ul style="list-style-type: none"> <li>Proposal developed and commenced in FY21 for FACRC pilot project</li> <li>Spray diary data entry integrated with the program database by FY25</li> </ul>
Research to underpin continuous improvement of the program	<ul style="list-style-type: none"> <li>Commencement of one new FACRC project (FY21)</li> </ul>
Sustainability-related technical information is provided to industry stakeholders	<ul style="list-style-type: none"> <li>100% of AWRI roadshow seminars include sustainability content</li> <li>2 'Ask the AWRI' columns in Grapegrower &amp; Winemaker on sustainability strategic topics</li> <li>3 sustainability technical sections/ mentions in WA + AWRI newsletters</li> </ul>
Enhanced engagement with regions using regional and national data (contingent on funding)	<ul style="list-style-type: none"> <li>Increase from four regions to six regions accessing regional data via manual process in FY21</li> <li>A new membership category for regions with automated reporting within the program's database is created by end FY21 (contingent on funding)</li> </ul>



# STRATEGIC GOALS

## continued

### Pillar 3 - Promote Australia's sustainability credentials

A key goal is for the Australian wine sector to be recognised and celebrated for its stewardship credentials and valued for its respect of the environment. By collaborating with grapegrowers, winemakers of all different business models, suppliers and government, we will raise the profile and strengthen Australia's sustainability credentials by continued engagement with key external stakeholders globally. Where appropriate, we will partner with AGW to engage and contribute towards policy and strategy driven by the sector, and for the sector, as a whole.

Goal/Milestone	Measure of success
Media engagement strategy (tailored for domestic and global markets audiences)	<ul style="list-style-type: none"> <li>• 30 media mentions</li> <li>• Minimum 80% positive/neutral media sentiment</li> </ul>
Alignment with supply chain and distributors	<ul style="list-style-type: none"> <li>• Build up knowledge of the existing decision making for purchasing of three major domestic retailers</li> </ul>
A platform to improve advocacy to government through our commitment to raising the profile of the program (such as through submissions).	<ul style="list-style-type: none"> <li>• Impact and influence over state and Federal Government decision making is enhanced through our ability to demonstrate the sector's investment in improving our sustainability credentials</li> </ul>
Engagement and influence with national bodies and non-government organisations (NGOs) where sustainability is a focus.	<ul style="list-style-type: none"> <li>• Five NGOs reference Sustainable Winegrowing Australia as a leading, sector-led sustainability program and provide accurate and relevant endorsement of the program.</li> <li>• Collaborative engagement with three NGOs initiated</li> </ul>

DOGEN

HOT WATER

DAM WATER

RAIN WATER

Drop Counts

...mise the use of  
...tain Water...  
&  
...M when you can

Devil's Lair, Margaret River. Vineyard and winery certified member.

Photo: Wine Australia

WINE AUSTRALIA  
VALVE ALLIANCE  
"Water for Wine"

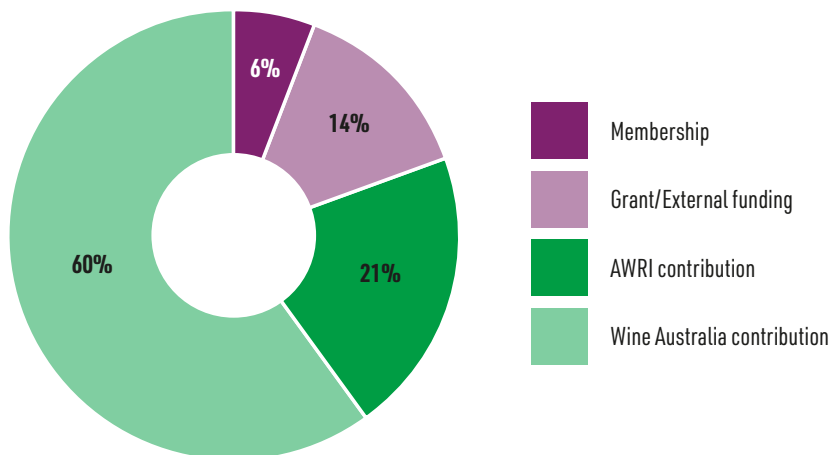
# STAKEHOLDER ENGAGEMENT GROUPS

Stakeholders	Communication need	C/E/IP
Grap growers and winemakers (non-members)	<ul style="list-style-type: none"> <li>To be made aware of the program and benefits it delivers to their business.</li> <li>Information on workbook measurement and path to certification</li> </ul>	Critical
Large wine producers (non-members)	<ul style="list-style-type: none"> <li>Clear benefits to their business and supply chain impacts</li> <li>Specific engagement strategy outlines and face-to-face delivery where possible</li> </ul>	Critical
Sustainable Winegrowing Australia Members	<ul style="list-style-type: none"> <li>Regular technical updates</li> <li>Education about best practice case studies &amp; benchmarking</li> <li>Encourage the journey to Certification and promote use of trust mark</li> </ul>	Critical
The AWRI, Wine Australia and Australian Grape & Wine	<ul style="list-style-type: none"> <li>Integration of sustainability values with regular updates on program benefits and best practice stories through each authority's communication vehicles</li> </ul>	Critical
State & regional wine associations	<ul style="list-style-type: none"> <li>Regular program updates and comms to share with their regions, CTA to join the program</li> <li>Provide best practice case studies and/or benchmarking examples</li> </ul>	Essential
Customers and distributors (globally)	<ul style="list-style-type: none"> <li>Awareness of the program and governance backing</li> <li>Clear messages &amp; detailed information on what program measures, certification &amp; trust mark</li> <li>Assurance that the program compliments/benefits their portfolio assessment</li> </ul>	Essential
Media (globally)	<ul style="list-style-type: none"> <li>Clear messages and succinct information about the program and how it's impacting/benefiting members, the sector &amp; Australia's sustainability story</li> </ul>	Essential
Key influencers (globally)	<ul style="list-style-type: none"> <li>Awareness of the program</li> <li>Specific and tailored messages to help influence in their area of expertise</li> </ul>	Essential
Wine Australia in-market leads (EMEAS, Americas, Asia)	<ul style="list-style-type: none"> <li>Specific and tailored messages on Australia's sustainability credentials to support discussions with customers and distributors</li> </ul>	Essential
AGW, AWRI & Wine Australia staff members – globally	<ul style="list-style-type: none"> <li>General information and messages about sustainability and Australia's credentials</li> <li>Milestone success of the communications plan</li> </ul>	Interested parties
DFAT & DAWE & Austrade, state govt departments of primary industries.	<ul style="list-style-type: none"> <li>Updates on sustainability credentials as required</li> <li>Communicate key milestone achievements that can help grow Australia's sustainability creds</li> <li>Support Industry led regulation narrative</li> </ul>	Interested parties
National bodies & NGOs (organisations with associated goals)	<ul style="list-style-type: none"> <li>Updates on associated/relevant sustainability goals</li> <li>Identify opportunities for better alignment of sustainability goals</li> <li>Collaborate and leverage common sustainability objectives</li> </ul>	Interested parties



# FINANCE

## Estimates of revenue/revenue by source



## Estimates of expenditure for 2020-21, 10 months

Source	AWRI	Wine Australia	Total
Pillar 1 – Attract and retain members	\$33,777	\$301,613	\$335,390
Pillar 2 – Delivery and continuous improvement of the program	\$287,104	\$75,403	\$362,507
Pillar 3 – Promote Australia's sustainability credentials	\$16,888	\$125,672	\$142,560
<b>TOTAL</b>	<b>\$337,769</b>	<b>\$502,688</b>	<b>\$840,457</b>

## Estimates of expenditure by funding source and total for 2020-21, 10 months

Source	Total
Membership	\$50,000
Grant/External funding	\$115,000
AWRI contribution	\$172,769
Wine Australia contribution	\$502,688
<b>TOTAL</b>	<b>\$840,457</b>

# MONITORING AND EVALUATION

We set clear measures of success through detailed key performance indicators (KPIs) in our Annual Operating Plan (AOP); we regularly measure our effectiveness in achieving these measures, and we report the outcomes to members and other in our respective Annual Reports.

To measure our effectiveness, we:

- regularly engage with our stakeholders to seek their input and feedback
- evaluate our performance against our AOP KPIs.

We are committed to continuous improvement and we refine our processes and activities based on the outcomes of these evaluations.



Photo: Wine Australia

# RISK MANAGEMENT

We are committed to identifying opportunities and threats in a proactive and timely manner, including ensuring that Sustainable Winegrowing Australia is aligned with national and international sustainability goals of programs such as those presented by the European Green Deal, the Product Environmental Footprint scheme, expected prohibitions on specific agrochemicals in export markets, and misalignment to the United Nations Sustainable Development Goals.

We recognise it is not possible, or necessarily desirable, to eliminate all the risks inherent in our activities and that accepting some degree of risk promotes efficiency and innovation.

Accordingly, we will maintain a risk register of the measures employed, or planned to be employed, to control identified risks.

We will rate identified risks as high, medium or low based on the table set out below.

Likelihood label	Consequence Label				
	Negligible	Minor	Moderate	Major	Severe
Almost certain	Medium	Medium	High	Very High	Very High
Likely	Medium	Medium	High	High	Very High
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Medium	Medium	Medium

The JSC has responsibility for reviewing risks and deciding whether they should be accepted, or further mitigated through Sustainable Winegrowing Australia activities. We will not accept risks that are high or very high.



# GLOSSARY

AGW	Australian Grape & Wine
AOP	Annual Operating Plan
Austrade	Australian Trade and Investment Commission
AWRI	The Australian Wine Research Institute
DAWE	Department of Agriculture, Water and the Environment
DFAT	Department of Foreign Affairs and Trade
EMEA	Europe, the Middle East and Africa
FACRC	Food Agility Cooperative Research Centre
JSC	Joint Steering Committee
KPIs	key performance indicators
NGOs	non-government organisations
SAC	Sustainability Advisory Committee
WA	Wine Australia
UN SDGs	United Nations Sustainability Development Goals

Cover images:

Leeuwin Estate, Margaret River. Vineyard and winery certified member.

Wynn's Coonawarra. Vineyard and winery certified member.

Photos: Wine Australia



Pooley Wines, Tasmania. Vineyard certified member.

Photo: Wine Australia



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