Wine
Australia
for
Australian
Wine

Performance Evaluation Report 2018–19

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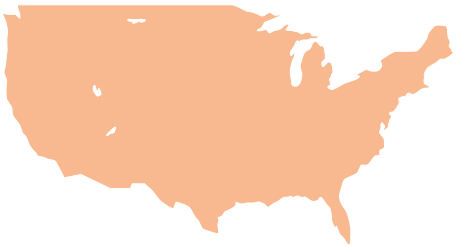
Highlights 2018–19

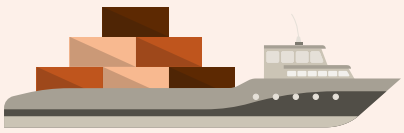
Positive trends

Exports to China (including Hong Kong and Macau) rose 7 per cent to a record $1.2 billion.

Chinese wine drinkers' perception of the quality of Australian wine improved from 8.32 out of 10 in 2018 to 8.56, according to a Wine Intelligence study commissioned by Wine Australia.



In the USA, the perception score for Australian wine rose from 7.24 out of 10 before participating in a tasting event or visit to 8.95, an increase of 24 per cent.



▲ 4%

Australian wine exports grew to $2.86 billion.

▲ 15%

There were a record 2729 active exporters.

▲ 10%

The average value per litre exported increased to $3.58, the highest level since 2009.

The 2019 average grape purchase price was $664 per tonne, up by 9 per cent on the price of $565 per tonne for vintage 2017. This figure is the highest since 2008.

The 2019 winegrape crush of 1.73 million tonnes was 3 per cent lower than 2018, but close to the long-term average of 1.75 million tonnes.

Wine Australia events

Wine Australia hosted **120 marketing campaigns** in key markets in 2018–19.

Australia Decanted, US

'What Wine Australia did this week (at Australia Decanted) is something I never thought possible… you showed Australian wine as most of us knew it to be – without question one of the greatest wine-producing countries on earth. What you gave us, that was unprecedented, was access. Access to the icons of Australian wine. Access to our peers. Access to the unobtainable. When you asked me to put it on my calendar, you sold it as the greatest event Wine Australia has ever put on. You undersold it. Period. I am honoured and humbled to have been invited. I felt this week more like I was in Australia than when I was in Australia.'

Past president of the Court of Master Sommeliers Andrew McNamara MS

Prowine China

'…the undeniable star of the show was the large Australian pavilion which occupied an entire end of one of the halls … The combination of the China–Australia Free Trade Agreement and Australia's new AU$50m (US$35.8m) Export and Regional Wine Support Package had already helped lift exports to China by almost 25% over the previous year to more than A$1bn. The buzz surrounding tastings at ProWine of "next wave" Shiraz from Victoria, Margaret River Cabernet Sauvignon, and McLaren Vale alternative varieties, offered little sign of that growth slowing…'

Robert Joseph, Meininger's Wine Business International

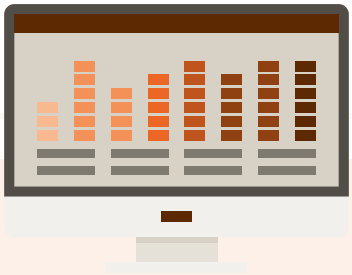
At our events

93% of surveyed exhibitors were **satisfied.**

96% of attendees were **satisfied.**

After attending events, participant's perceptions of Australian wine rated, on average, 8.90 out of 10, an increase of 12 per cent on their perceptions before the event.

Export assistance



When we surveyed our stakeholders:

92% of users are satisfied with the level of services provided by our Export Assistance Team.

83% of respondents find the Wine Export Approval System (WEA) easy to use.

91% of respondents find it very easy or somewhat easy to find the information they need for export.

88% of those who use the Export Market Guides find them very helpful or somewhat useful.

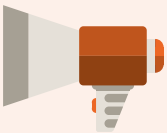
83% of respondents agree or somewhat agree that they learned something helpful about their regulatory obligations during the Wine Australia inspections of their winemaking records.

78% per cent of respondents agree that they were likely to contact the Wine Australia auditing team if they needed regulatory assistance in the future.

Information

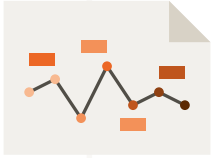
We engaged stakeholders through:

85 e-newsletters



57 media releases

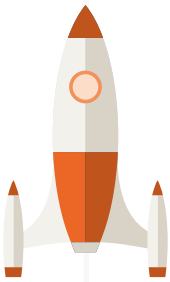
RD&E News subscriptions increased by 34 per cent to 3673 subscribers. The Exporter Newsletter subscriptions grew by 29 per cent to 7724. Subscriptions to the weekly Market Bulletin rose by 37 per cent to 3264.



Our monitoring measured 4986 articles about Wine Australia in print, broadcast and online media.

Subscriptions to Wine Australia news increased by 51 per cent to 4454.

Developing people



15 individuals from across the grape and wine community were selected from over 85 applications to participate in Future Leaders 2019.

We supported 7 new PhD scholarships and 10 outgoing travel bursaries.

Regulatory

We conducted 191 site inspections to ensure the truth and reputation for truthfulness of Australian wine.

We analysed more than 200 Australian wines to monitor compliance with the Australia New Zealand Food Standards Code.

RD&E

We managed 183 projects during 2018–19, with 32 completed during the period.

Five early-career researchers were supported to undertake co-funded regionally focused research projects.

An independent analysis of Wine Australia-funded research across 6 projects showed an aggregated benefit–cost ratio of 1.6 to 5.3 on the selected projects.

New projects are investigating under-vine cover crops to reduce the need for herbicide sprays, enhance soil moisture retention and nutrient cycling, and to maintain, or enhance, grape yields. We're evaluating sensor technology to measure vine canopy temperature in real time as a potential tool to improve irrigation and new work is underway to evaluate selected rootstock genotypes that perform well under reduced irrigation conditions.

Wine Australia funding supported the AWRI to deliver workshops and seminars.

Survey feedback found 85 per cent of survey respondents indicated that information provided at workshops was useful.

Our role

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 (R&D), and facilitate the dissemination, adoption and commercialisation of the results
- control the export of grape products from Australia, and
- promote the sale and consumption of grape products, both in Australia and overseas.

Our five-year *Strategic Plan 2015–2020* and our *Annual Operational Plan 2018–19* outline our key investment priorities, which are guided by the Australian grape and wine community's priorities.

The Strategic Plan was developed following extensive consultation with grapegrowers, winemakers, sector bodies, government and other key stakeholders. It shows:

- our vision is for a prosperous Australian grape and wine community
- our priorities are to increase demand and the premium paid for all Australian wine and to increase competitiveness.

We seek to foster and encourage a prosperous Australian grape and wine community by investing in research, development and extension (RD&E), building markets, disseminating knowledge, encouraging adoption and ensuring compliance.

We work in partnership with a wide range of stakeholders along the supply chain. Australian Grape & Wine Inc (the merged entity incorporating the antecedent organisations the Winemakers' Federation of Australia and Australian Vignerons) is our representative organisation under the Act.

We 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 RD&E funding. We also work closely with the Australian Government to enhance market opportunities and reduce barriers to trade.

Our research providers include AWRI, CSIRO, the NWGIC, universities and state agencies.

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

Our governance and operations seek the best possible return on the investment of our RD&E, marketing and regulatory funds.

Performance 2018–19

Financial overview

In line with expectations, we recorded an operating deficit of $1.85 million for 2018–19.

Our revenue comes from two main sources: winegrape growers, processors and exporters who pay statutory levies, and the Australian Government, which matches the money raised by these levies when it is invested in eligible R&D 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 FOB value of wine exports.

Approximately 32 per cent ($19.7 million) of 2018–19 revenue came from the 2 levies and the export charge and 23 per cent of revenue ($14.1 million) from the Australian Government matching contributions.

Revenue from regulatory fees made up 10 per cent ($5.9 million) of income, and wine sector contributions to marketing activities made up 2 per cent ($1.2 million) of total revenue for 2018–19.

The $50m Package made up 29 per cent ($17.5 million) of total revenue for 2018–19; this was made up of grant income, interest earned and sector contributions.

Net assets were $21.4 million at 30 June 2019 and financial assets were $17.8 million, of which all was cash or term deposits other than receivables of $4.7 million. Payables were $3.4 million.

Full details of our finances are included in the Financial Statements section in our Annual Report, which can be found on our website at wineaustralia.com/about-us/performance-and-reporting.

Strategic plan
Targets and outcomes 2018–19

Strategic plan targets

Two key targets are defined in Wine Australia's Strategic Plan:

1. The average price per litre for Australian bottled wine exports increase to a point where it is at or near the highest average price per bottle of our global competitors by key markets.
2. Australian vineyards and wineries are efficient by global standards.

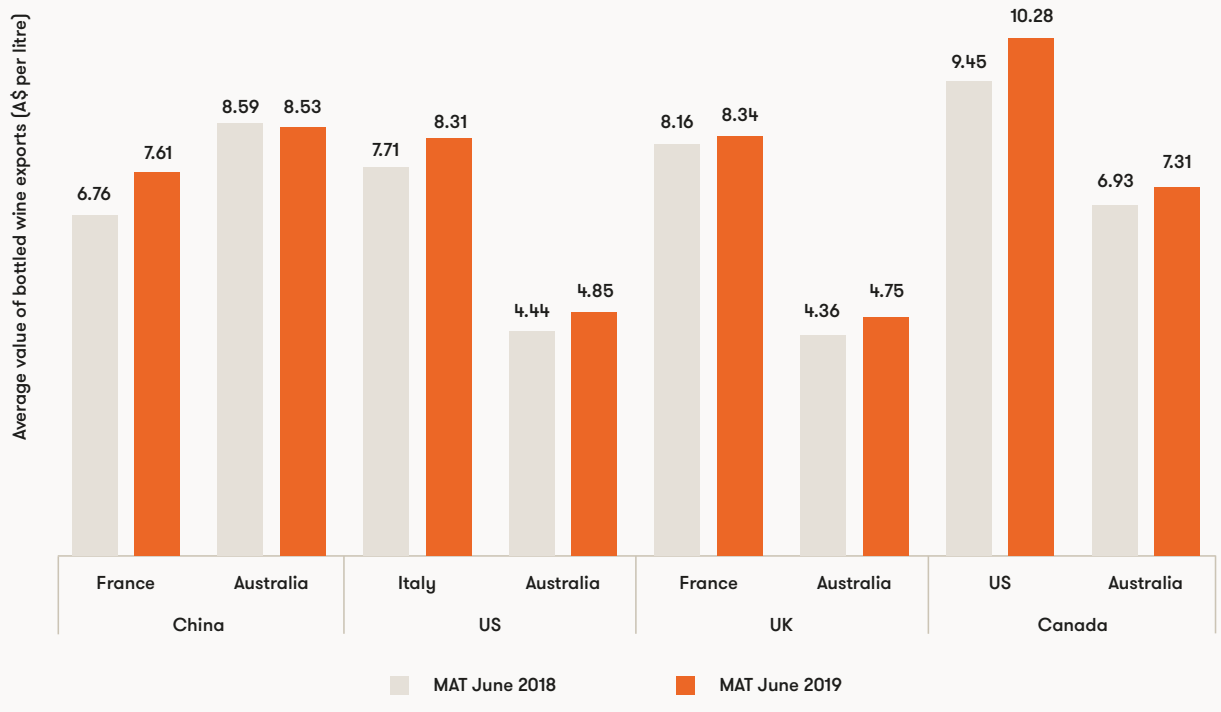
Priority 1: Increasing demand and the premium paid for all Australian wine

Target 1: The average price per litre for Australian bottled wine exports increases to a point where it is at or near the highest average price per bottle of our global competitors by key markets.

Target 1 is evaluated by tracking the average price per litre for Australian bottled wine exports in Australian dollars (A$) against that of the top five competitors in the key markets of China, USA, UK and Canada using trade data sourced from the Global Trade Atlas.

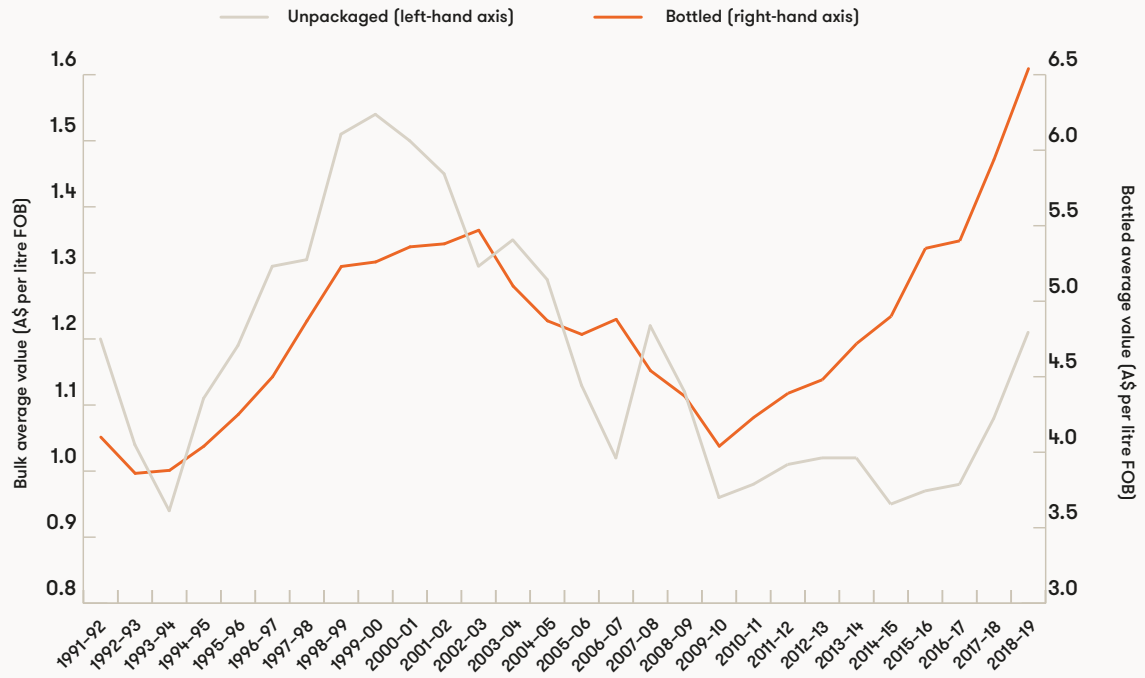
2018–19 target	2018–19 achievement
The average price per litre for Australian bottled wine exports increases year-on-year from $5.87 in June 2018.	The average price per litre for Australian bottled wine exports reached a record $6.54 per litre in the year ending June 2019, an increase of 33 per cent from the level at the implementation of the 5-year Strategic Plan in July 2015.

Figure 1: Average Australian bottled wine prices compared with competitor nation average bottled wine prices



While Target 1 relates to bottled average value, the value of Australian unpackaged wine exports increased by 12 per cent to $1.21 per litre, and as Figure 2 illustrates, is also showing a consistent positive trend since 2016–17.

Figure 2: Unpackaged and bottled wine average price trends



The increase in values for bottled and unpackaged wines have been reflected in increased wine grape prices, as illustrated in Figure 3.

Figure 3: Average export price and average winegrape purchase price over time.

Priority 2: Increasing competitiveness

Strategic Plan target: Australian vineyards and wineries are efficient by global standards.

Target 2 is measured in two ways. Firstly, by benchmarking the adoption of five viticultural practices and five oenological practices in Australia to establish a competitiveness indicator. And secondly, through a benefit–cost analysis of selected R&D projects.

Benchmarking adoption of viticultural practices and oenological practices

2018–19 target: Set benchmarks to measure practice change for the five viticultural and five winemaking practices identified.

The five key viticultural activities are pest and disease (including trunk diseases and biosecurity); rootstocks; spray application; vine balance/grape quality measures; and adaptation to climate change (including delayed pruning, clonal trials).

The five oenological practices are: clarification and filtration (including flotation/cross flow); cold stabilisation; wine efficiency (including Lean principles, ABC tool and energy); fermentation monitoring; and faults and taints (including smoke taint and copper additions).

2018–19 result: During 2017–18, a survey was carried out to set benchmarks for performance. This review found 56 per cent of respondents indicated that they had acted on information promoted by Wine Australia.

Drawing on data from the review, the following benchmarks were set:

- Level of awareness of Wine Australia's information and activities – 2018 result: 7.1 (out of 10).
- Usefulness of information provided – 2018 result: 7.4 (out of 10).
- Percentage who have acted on information promoted by Wine Australia – 2018 result: 56 per cent.
- Grape growers – 56 per cent select rootstocks to the specifications of their vineyard.
- Grape growers – 88 per cent actively taken steps to reduce spray drift.
- Wine producers – awareness of wine efficiency research – 5.0 (out of 10).

We have commissioned an independent review to identify how we can change our extension activities to enhance adoption, and we have also worked with our extension partners to make these 10 key viticultural and oenological practices a focus of their extension activities.

Benefit–cost analysis of R&D projects

The second component of assessment against Target 2, a benefit–cost analysis of selected R&D investments, was conducted to assess performance in line with the strategic plan during 2018–19.

To evaluate the value of Wine Australia's R&D investments, AgEconPlus was commissioned to undertake an ex-post benefit–cost analysis of six randomly selected projects.

The projects were:

- AWRI 2.2.1 Collecting and disseminating information regarding agrochemicals registered for use and maximum residue limits in Australian viticulture (MRL data)
- AWR 1304 Ensuring the continued efficacy of Brettanomyces control strategies for avoidance of [wine] spoilage (Brettanomyces)
- CSP 1401 Understanding and manipulating small signalling molecules to affect the yield/flavour ('quality') nexus (PGR)
- CSP 1402 Evaluating and demonstrating new disease-resistant varieties for warm irrigated regions (Varieties)
- NWG 1401 Metal ion speciation: Understanding its role in wine development and generating a tool to minimise wine spoilage (Ion Speciation), and
- DPI 1202 Impact of elevated CO_2 and its interaction with elevated temperature on production and physiology of Shiraz (CO_2 Shiraz)

AgEconPlus' approach followed the general evaluation guidelines that are now well established within the Australian rural research sector including RDCs, Cooperative Research Centres and some universities.

Consistent with Council of Rural Research and Development Corporation Guidelines for random project selection, projects in a list provided by Wine Australia were numbered 1 to 37, AgEconPlus then used an online random number generator to select projects. Projects were selected until research investment exceeded $4.7 million or around 10 per cent of Wine Australia's total RD&E investment.

Each of the six projects analysed involved a description of the projects including objectives, outputs, activities, costs, outcomes and benefits. Benefits were described qualitatively according to their contribution to the triple bottom line of economic, environmental and social benefits. While a range of potential benefits of each program were identified, the analysis focused on the most likely and most significant benefit stream.

Some identified benefits were not quantified mainly due to:

- suspected, weak or uncertain scientific or causal relationship between the research investment and the actual R&D outcomes and associated benefits; and/or
- The magnitude of the value of the benefit was thought to be only minor.

A number of potential benefits therefore remained unquantified and hence the estimated net benefits of some programs should be considered conservative.

The six investment analyses yielded positive results at the 5 per cent discount rate, with benefit–cost Ratios ranging from 1.6 (DPI 1202 Impact of elevated CO_2) to 5.3 (NWG 1401 Ion speciation). The results show a positive result in terms of those benefits valued and also in terms of the range of benefits identified.

Overall, the estimated benefits and costs of the Wine Australia projects show that the returns on the grower, Commonwealth Government and co-investor monies have been significant.

Table 1: Benefit–Cost Analyses of six randomly selected Wine Australia R& D investments 2017–18

Investment criteria	Investment program					
	MRL data (AWRI 2.2.1)	Brettanomyces (AWR 1304)	PGR (CSP 1401)	Varieties (CSP 1402)	Ion Speciation (NWG 1401)	CO_2 Shiraz (DPI 1202)
Benefit–cost ratio	1.80	2.13	5.07	3.38	5.28	1.57
Benefit–cost ratio range-core assumption sensitivity	0.72 to 3.60	1.07 to 4.48	2.38 to 11.64	0.79 to 13.19	2.64 to10.57	0.79 to 2.36
Potential unquantified benefits	Grape juice with additional blending	Avoided remedial processing cost	Avoided grape loss – overripe fruit	Avoided cost of mildew	Avoided copper MRL breaches	Data on future irrigation water needs
	Minimisation of chemical residues on farm	Reduced waste and electricity use	Improved harvesting logistics		Capacity building in researchers and students	More productive regions

A balanced portfolio

Our investments range from both short- and long-term applied R&D to blue-sky research where success is less assured. We assess the likelihood of success and the extension and adoption potential of all RD&E project applications as part of the overall ranking of proposals. We focus on extracting the full value of our investments in RD&E for the benefit of our levy payers, the Australian Government and the wider community.

Figure 4: Investment by project term

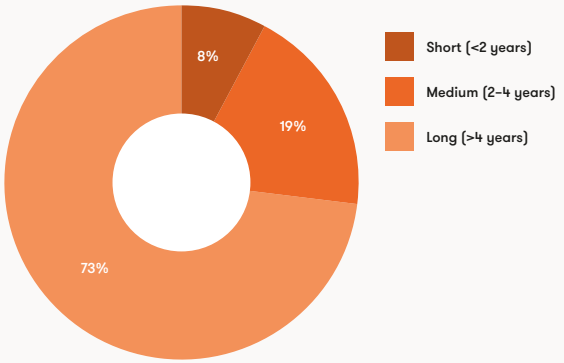


Table 2: Investment by project term

Project Term	Number of projects		Actuals 2018–19	
short (<2 years)	49	27%	$1.74	8%
medium (2–4 years)	60	33%	$4.41	19%
long (>4 years)	74	40%	$16.74	73%
Total	183	100%	$22.9	100%

Figure 5: Investment by risk category

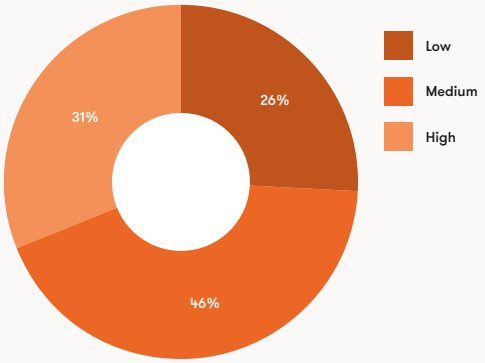


Table 3: Investment by risk category

Risk	Number of projects		Actuals 2018–19	
low	68	37%	$5.2	23%
medium	65	36%	$10.6	46%
high	50	27%	$7.0	31%
Total	183	100%	$22.9	100%

Figure 6: Investment by research type

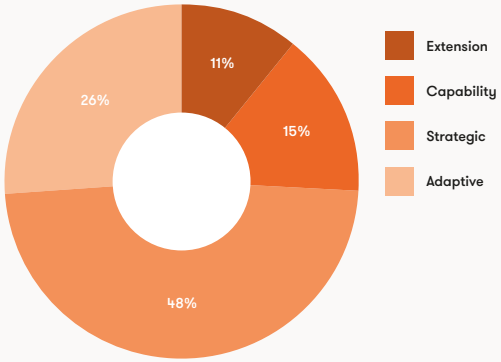


Table 4: Investment by research type

Research type	Number of projects		Actuals 2018–19	
Extension	30	16%	$2.5	11%
Capability	50	27%	$3.4	15%
Strategic	57	31%	$11.0	48%
Adaptive	46	25%	$5.9	26%
Total	183	100%	$22.9	100%

Figure 7: Investment by geographic focus

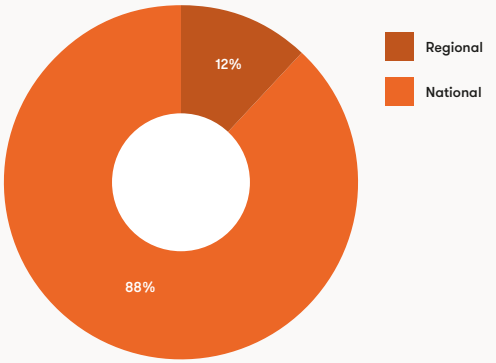


Table 5: Investment by geographic focus

Geographic focus	Number of projects		Actuals 2018–19	
regional	28	15%	$2.7	12%
national	155	85%	$20.2	88%
Total	183	100%	$22.9	100%

Appendix 1: Activities and achievements

Priority 1: Increasing demand and premium paid for all Australian wine

Strategy 1: Promoting Australian fine wine

2018–19 targets		2018–19 achievements
Global		
An educational component at 70 per cent of events to promote Australian wine's strategic narrative – quality, diversity, innovation, terroir.	●	The 70 per cent target was achieved at all events through master classes, seminars, tasting events and supporting social media content.
Strengthen existing relationships and develop new relationships with key in-market wine trade, media and other wine influencers.	●	Media and influencer KPIs were achieved or exceeded for all campaigns with new relationships formed, particularly with lifestyle media and influencers.
At least 75 per cent of guests indicate a positive/improved perception change towards Australian wine, captured with post-event survey.	●	This target was achieved with exactly 75 per cent of attendees or visitors survey post event leaving with an improved perception of Australian wine.
Asia Pacific		
Growth in consumer sentiment index in Hong Kong from 7.52, in Japan from 7.38, in Singapore from 6.94 and in South Korea from 6.49.	●	The consumer sentiment index data derived by Wine Intelligence for Hong Kong fell slightly to 7.06 (out of 10), while Japan scored 7.33. Singapore moved up to 7.47 and South Korea moved up from 6.49 to 6.95.
China		
Growth in consumer sentiment index in mainland China from 8.32.	●	The consumer sentiment index on mainland China moved from 8.32 to 8.56.
Europe, Middle East and Africa (EMEA)		
Growth in consumer sentiment index in the UK from 8.08.	●	The consumer sentiment index in the UK remained a solid 8.14, an increase over the previous year.
The Americas		
Growth in consumer sentiment index in Canada from 8.34 (English speaking) and from 7.96 (Quebec) and the USA from 8.14.	●	The consumer sentiment index for Canada (as assessed by Wine Intelligence) was 8.19 in the English speaking regions and 7.68 in Quebec while in the US it was assessed as 7.89.

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 2: Protecting the reputation of Australian wine

2018–19 targets		2018–19 achievements
Annual analytical survey		
200 wines exported from Australia will be analysed to verify compliance with the compositional parameters of the Australia New Zealand Food Standards Code.	●	We commissioned analysis of 200 samples from a variety of regions to verify compliance with the Code. All 200 wines demonstrated compliance with the Code.
Label Integrity Program		
Any minor breaches of the record-keeping requirements of the *Wine Australia Act 2013* (the Act) that are identified through risk-based inspections are remedied, while action is initiated in response to serious breaches.	●	We conducted 191 on-site inspections and reviewed the records pertaining to over 3000 products before approving them for export. We suspended one licence and cancelled two. All labelling breaches were remedied.
Regulatory services		
The wine export approval system will be upgraded in a major project to ensure ongoing stability of the software and technology supporting the system, and to improve the business processes and functionality of the system.	●	A new system to administer the export controls for Australian wine was advanced in 2018–19 and is expected to be released in 2019–20. The system will manage licensing, product approvals, shipping applications, invoicing, Wine Export Charge declarations and import certification.

Strategy 3: Building Australian vine and wine excellence

2018–19 targets		2018–19 achievements
Grapegrowing for excellence		
Data are available on the use of hyperspectral imaging for assessment of vine physiology (nutrition and disease).	●	The unexpected retirement of the lead researcher resulted in this target being re-scheduled to 2019–20. A new research scientist is being recruited to conduct the work. Preliminary data are available. **CSA 1601**
Results comparing hyperspectral imaging data with physical and chemical data on fruit condition (shrivel, disease) and quality (sugar, water, acid and anthocyanin levels).	●	Hyperspectral scans and fruit composition measurements of more than 3000 berries have now been collected from vines grown in the field and glasshouse. Spectral libraries were built to allow fruit composition predictions to be made from unknown fruit. Total soluble solids, total acidity and pH all showed high predictability on this laboratory-based collection with R^2 values above 0.9. Improvements were also made to an algorithm used for discriminating shrivelled berries and produced promising results when assessing proportion of shrivelled berries per bunch. **CSA 1602**
A user-friendly, open-source software tool is developed, which outputs to a freeware GIS platform for spatial analysis and experimentation in vineyards.	●	The project produced a suite of freely accessible Precision Agriculture Tools (PAT) for spatial analysis. PAT has been developed as a plug-in for QGIS, a freeware geographical information system. Users do not need to have expertise in spatial analysis and geostatistics to use PAT and it is therefore hoped its availability will greatly facilitate adoption of precision viticulture. Instructions for setting up QGIS for PAT are accessible from https://github.com/CSIRO-Precision-Agriculture/PAT_QGIS_Plugin#precision-agriculture-tools-pat-plugin-for-qgis. **CSA 1603**
Results are available from a field trial of an on-the-go NIR sensor to characterise fruit composition against maps of yield and remotely sensed vine vigour, to provide a better understanding of the yield:quality nexus.	●	A $4000 NIR (near infra-red) spectrometer was fitted above the discharge chute on a machine harvester to collect spectral data on-the-go during harvest. Maps representing the variability in fruit composition across the vineyard were successfully produced, highlighting the future potential use of this technology by growers. The final project report is available online. **CSL 1401**

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 3: Building Australian vine and wine excellence

2018–19 targets		2018–19 achievements
A dataset of grape and wine chemistry analytical results for vintage 2018 and vineyard environment dataset for 2019 vintage and knowledge on the differences and similarities within and between subregions and management practices.	●	All analysis from the 2018 season is complete and collection and collation of data from 2019 is underway. These two data sets will be compared to better understand the different terroirs in the Barossa Valley. **UA 1602**
An enhanced 'VitiCanopy' tool calibrated for different training systems and vine densities is available for beta testing.	●	VitiCanopy is now a cloud-based tool and mapping-enabled visualisation is functional on the app undergoing beta testing and will be transitioned to a web-based platform following sector feedback. **UA 1701**
A prototype cloud-based tool ('Vitiweb') is available with the ability to analyse canopy images and aerial images. Field trials are underway to evaluate a plant sensor-based precision irrigation system, to provide new tools for irrigation scheduling based on real-time measurements of vine water status.	●	The experimental setup was designed, proximal field data was collected, remote sensing platform was introduced, and remote data was collected at multiple timepoints through the season. Juice/wine chemical composition analysis was performed, and remote sensing data was processed to generate maps, which suggest that plant-sensor-based irrigation scheduling could be the preferred approach for high-quality wine production. **UA 1705**
A report is available on a prototype system for the assessment of bunch rot and material other than grapes (MOG) at the weighbridge, using Vis-NIR hyperspectral imaging.	●	This project applied rapid digital methods to assess grape quality on delivery to the winery, in particular Botrytis infection and presence of MOG. Spectral imaging identified Botrytis infection and MOG, differentiated types of fungal infection and identified grape sunburn and shrivel. The final report will be available on the Wine Australia website. **AWR 1601**
A PACE ('pesticide adjusted for canopy environment') model for dose adjustment and sensors for spray optimisation are available. Field data are available to compare the performance of an intelligent spray system mounted on ground-based and robotic platforms, on a fully foliated canopy.	●	Jointly collected data with Spanish collaborators demonstrated such models for dose adjustment can work for Australia. Sensor/PACE schemes using vineyard equipment such as tractors and sprayers were compared against robotic platforms at two of each vineyard type (wine and table grape) in full-leaf canopy at the two trial sites. Spray drones showed excellent, high coverage (equal to that from ground sprayers) in foliated canopies. Herbicides were able to be sprayed effectively using low heights, slow speeds and coarse sprays. **UQ 1601**
Wine provenance and measures of quality		
A detailed statistical analysis of survey data from Australian and international wines to define the capability of isotope ratio methodology to differentiate the origin of wines at a regional and international level.	●	A dataset comprising 292 Australian wines and 96 overseas wines showed that application of statistics using only the isotope ratios of four elements allowed a strong separation of Australian wines from those produced overseas. **AWRI 1701-4.4.2**
Data on the principal components driving chemical and sensory markers of quality in Pinot Noir. Identification of 'end users' along the provenance value chain with capacity to enact change based on principal components identified.	●	A number of important aroma volatiles were identified, including beta-damascenone, which overall was consistently higher in concentration in Pinot Noir wines from Oregon, followed by Southern Tasmania. Tasmanian regions displayed a wide range of values for most parameters measured, likely due to the larger geographical area of these regions, which are sub-GI. The only volatile that separated Burgundy wines from others in the dataset noticeably was hexan-1-ol, associated with perceived 'greenness'. **UT 1503**

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 3: Building Australian vine and wine excellence

2018–19 targets		2018–19 achievements
Report on the ability to characterise provenance of spectral fingerprinting data from juice for sparkling wine production.	●	Juice samples (46 Pinot Noir and 49 Chardonnay) were sourced from 30 different vineyard blocks across the Tamar Valley, Pipers Brook and Coal Valley and analysed using spectral phenolic fingerprinting and basic matrix analysis. There was clear separation according to region. **UT 1502**
Data available from metagenomic analysis, describing wild wine fermentations from across the spectrum of Australian winemaking regions.	●	Ferment samples from 2017–18 have been analysed. At least 53 different fungal genera were detected in these ferments. Sampling kits were distributed to 32 wineries and samples have been obtained from uninoculated Chardonnay and Shiraz wine fermentations from vintage 2019. **AWRI 1701 4.4.2**
Knowledge on the key sensory attributes of Barossa Shiraz is obtained. Grape samples from vintage 2019 ready for analysis and vintage 2019 trial wines and unfinished commercial wines ready for bottling.	●	Wines from the 2019 vintage have completed fermentation and are currently being bottled. Sensory evaluation is planned for October. **UA 1602**
Customer insights		
Information that will assist exporters in the creation of stronger business relationships across the USA and UK wine value chain.	●	The results from the project 'The ties that bind: building strong importer and retailer relationships to drive premium wine export sales' provides key insights on how to establish and maintain a relationship with operators in the USA market. **FU 1701**
Final project results that inform the Australian wine community about what drives choice in the US market, and how Australia and our key competitors perform on these choice factors.	●	Report and insights provided on fourth year of Wine Opinions study and Driving the Strategic Growth of Australian Wines in the USA Export Market. **WOP 1401**
Final research findings that provide information on who to target and how to sell fine wine in China.	●	Draft report delivered by UniSA – creating opportunity for Australian 'fine' wine in China. **USA 1602**
New investments made in key markets and an advisory board established to improve alignment, awareness and use of primary research and data with sector needs.	●	Insights Advisory Group met to discuss research priorities.

● Achieved ● In progress / partially achieved ● Not achieved

Priority 2: Increasing competitiveness

Strategy 4: Improving resource management and sustainability

2018–19 targets		2018–19 achievements
Climate adaptability		
New knowledge shared from four years of data collected on the impact of elevated CO_2 and increased temperature on vine phenology, physiology and resulting wine in Shiraz	●	The impact on grapevines of elevated CO_2 and increased temperature, alone and in combination, were generally overridden by seasonal influences and 'weather'. However, warmer air temperature advanced maturity and resulted in lower quality grapes and wine. Elevated CO_2 levels in future will not impact heavily on grape and wine quality and may even enhance yield. Water use will remain static or diminish marginally. **DPI 1202**
A field experiment is underway in a commercial setting to test treatments using plant growth regulators to manipulate harvest timing in the three most highly planted cultivars (Shiraz, Cabernet Sauvignon, Chardonnay).	●	The plant growth regulator NAA was applied to Cabernet Sauvignon vines at various concentrations in the three weeks prior to veraison. The treatments delayed harvest by between 10 and 21 days and increased the synchronicity of ripening of berries within a bunch. Progress has also been made towards registration of NAA for use in wine grapes. **CSA 1701-2.2**
The feasibility of using UAV-based acoustic atmospheric tomography methods to inform vineyard processes potentially impacted by extreme weather events (e.g. heat, frost).	●	A system to precisely measure and monitor heat and frost events in vineyards has been successfully developed. The pattern and progress of significant frost and heat wave events that occurred during 2018 and 2019 were studied using the technology. The data gathered can potentially be used to inform management of these weather extremes. **USA 1601**
Data on the use of in-canopy misters to mitigate the negative effects of heatwaves on grapevine physiology and fruit and wine composition, and comparison with a passive cooling strategy.	●	This project collected two seasons of data on canopy cooling systems for mitigation of heatwaves in grapevines. Different cooling approaches varied in their effect on vine performance with season, site and cultivar, making general recommendations difficult. However, any cooling approach had positive effects on vines in the warm inland region where the trial was located. **UA 1502**
Provision of short- and mid-term climate trends to the sector in an accessible, usable form. Improved understanding of how such climate information can be used to drive vineyard management decisions in grapegrowing regions across Australia.	●	An electronic 'atlas', currently being finalised, is a significant extension output that will deliver information, tools and practical management options to grapegrowers to help them face not only the challenges of short-term climate cycles, but also long-term climate change. **UT 1504**
Foundation data		
Collect, store and present supply and demand data and insights, including a market attractiveness tool and deep dive market landscape reports on key markets.	●	Market Explorer tool delivered. Market insights delivered via 49 weekly Market Bulletins.
Ensure the sector has access to increasingly granular data, including a national scan of vineyard area by GI region.	●	First National Vineyard Scan was conducted and maps prepared for all GI regions.
Sustainable resource management		
Progress towards the establishment of international collaborative agreements, to facilitate the comparison of DNA markers from Australian grapevine germplasm with accessions held in relevant overseas reference collections.	●	A collaborative agreement was established with the Spanish group at the Instituto de Ciencias de la Vid y del Vino, which has allowed the initial DNA profiling of grapevine varieties in CSIRO, SARDI and other unique Australian germplasm collections. **CSP 1501**

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 4: Improving resource management and sustainability

2018–19 targets		2018–19 achievements
New research and/or extension activities developed and initiated from examining grapegrowing and winemaking practices and identifying the gaps in knowledge on innovations to increase economic, social and/or environmental sustainability in the vineyard and/or winery.	●	Following gaps analysis, 38 new projects were developed and initiated in 2018–19. These projects span all aspects of grape and wine production and contribute either directly or indirectly to increase the sector's economic, social and/or environmental sustainability.
The AWRI library maintains the relevant subscriptions and resources.	●	A total of 501 new items were added to the AWRI library's collections, including print books, eBooks and reprints. The library continues to subscribe to more than 35 print and online serial publications. A total of 242 full text eBooks were accessed across the library's 2 eBook platforms. The library responded to 461 queries. Approximately 62 per cent of these related to winemaking, 23 per cent to viticulture and 15 per cent to marketing, health and other topics. These inquiries resulted in the supply of 970 articles, with approximately 33 per cent sourced from the library's Technical Review collection, 41 per cent from the AWRI publications collection and 26 per cent from the library's other reprint collections. **AWRI 1701-2.2.2**
Biosecurity, pest and disease management		
New activities initiated to prepare the sector for *Xylella fastidiosa*	●	New initiatives in the area of Xylella preparedness include the appointment of a Xylella Co-ordinator, jointly funded with Horticulture Innovation, and a cross-sectoral project on potential native insect vectors of Xylella. **WA 1812**
Endorsement by the SPHD of six new and two updated National Diagnostic Protocols for high-priority exotic pest threats and inclusion of the protocols in a revised Industry Biosecurity Plan for the Viticulture Industry.	●	We are a partner in a new Rural R&D for Profit project on boosting diagnostic capacity for biosecurity. A key activity in this project will be to endorse and update National Diagnostic Protocols for high-priority plant pests.
Updated disinfestation procedures in the National Phylloxera Management Protocol (NPMP).	●	Fermentation treatment as a disinfestation protocol for grape products was validated and the latest disinfestation research communicated through industry bodies and via stakeholder meetings. **DED 1701**
Information on a grower-friendly, passive and integrated detection and surveillance system for phylloxera.	●	Information and in-field training on an integrated strategy for phylloxera detection and surveillance was delivered to several groups of wine growers, vineyard managers, contractor teams, biosecurity officers and researchers across Victoria and Tasmania. Processes to formally endorse the three methods as sampling protocols in the NPMP have begun. **DED 1701**
Preliminary data available on the genetic drivers for fungicide resistance in downy and powdery mildew, and on the link between results in the laboratory and efficacy of fungicides in the field.	●	This project is unravelling the complex relationship between fungicide resistance, fitness, and genetics of fungal grapevine pathogens using a combination of field sites, greenhouse experiments and *in-vitro* testing. The ultimate aim of the work is to use improved knowledge of resistance mechanisms to strategically manage fungicide chemistries in the vineyard. **SAR 1701-1.2, AWR 1701-4.5.1**
Updated knowledge on effective detection and management techniques for grapevine trunk diseases (eutypa and botryosphaeria).	●	A LAMP-based detection method for eutypa and botryosphaeria pathogens was developed for field testing and information generated on the relative sensitivity of different varieties and rootstocks to grapevine trunk disease. Trunk disease management techniques under evaluation include wound treatment options, pruning timing and watershoot induction during reworking. **SAR 1701-1.1**

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 5: Improving vineyard performance

2018–19 targets		2018–19 achievements
Enhancing grapevine and rootstock performance		
Further progress on the breeding of 'second generation' mildew-resistant scions combining additional powdery mildew and downy mildew resistance genes to further enhance their durability in the vineyard.	●	Second-generation vines, with additional 'stacked' resistance genes to both powdery mildew and downy mildew, were successfully bred and planted out in a small field trial for evaluation. These vines will also be used as the disease-resistant parents for breeding of varieties with desirable consumer traits. **CSA 1701-1.1**
Genetic markers to enable more rapid screening of new scion selections for desirable consumer traits or to eliminate those with potentially negative sensory attributes, at the seedling stage.	●	The research identified the genetic variation in grapevines that explains some of the difference in the volatile composition of wines related to fruity, green and floral sensory characters. In addition, markers were identified for genes already shown to be important for two wine sensory properties (methoxypyrazines and muscat character) and these will aid the selection of new varieties for specific wine styles. **CSA 1701-1.2**
Data on yield, vigour, fruit and wine quality from four existing rootstock field trials; a prerequisite for evaluation of suitability for commercial release. New work is underway to evaluate selected rootstock genotypes that perform well under reduced irrigation conditions.	●	The evaluation of the novel rootstocks continues at various sites, including on grower vineyards. Yield component data including cluster and berry number and weight were collected, in addition to fruit quality parameters such as: sugar content, yeast assimilable nitrogen, organic acids (malate and tartrate), total berry anthocyanin and phenolics, pH and titratable acid. In total, 220 new rootstock genotypes were evaluated for the 2018–19 season, and small-scale winemaking was conducted with some of the short-listed candidates. **CSA 1701-1.3**
Progress towards the identification of genetic markers linked to new root-knot nematode- and phylloxera-resistance loci, to advance the development of in vitro screening for germplasm with durable resistance at moderate to high temperatures.	●	Markers for three genes that confer resistance to phylloxera and nematodes were identified. The markers are now being used to detect superior seedlings in the rootstock breeding program. These seedlings will then be evaluated for resistance to virulent strains of nematodes and phylloxera to validate the marker selection process. **CSA 1701-1.3**
Progress towards developing rootstocks with enduring resistance to abiotic stressors such as salt, heat and drought through the use of gene identification, functional characterisation and marker-assisted breeding technologies, together with advanced phenotypic screening methods.	●	Progress has been made on several fronts. A likely mechanism for sodium exclusion in rootstocks has been proposed. In addition, markers that identify genes responsible for chloride exclusion were validated. These markers are being used to screen numerous rootstock genotypes for their salt tolerance. Canes of unique American *Vitis* species were imported and propagated, and are being evaluated for their ability to exclude salt compared to rootstocks readily available in Australia. **CSA 1701-1.4**
Data from field trials in a 'no-spray' vineyard, to calculate potential cost savings and benefits of different treatments.	●	The project is comparing the performance of high- and 'standard'-density plantings of different scion-rootstock combinations, where the scions are resistant to both downy and powdery mildew. The comparison also includes disease-resistant 'micro-vines' planted at high-density. The data from the past year showed that the cost of production ($/tonne) from the high-density 'no-spray' plantings was 20% lower than from the standard-density. Significantly, while the micro-vines cropped well, the fruit was susceptible to sunburn due to the vine's unique canopy architecture, and therefore less fruit was harvested than from wild type vines. **CSA 1701-1.5**

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 5: Improving vineyard performance

2018–19 targets		2018–19 achievements
Evaluation of new sensor technology for real-time measurement of vine canopy temperature, to investigate its potential as a decision-making tool to improve irrigation management and water-use efficiency.	●	A new multi-point sensor technology, 'Proxicrop', was developed to replace the previously tested single-point measurement sensor. The potential benefit of Proxicrop is that the sensor array combines a thermal imaging sensor with an RGB sensor for real-time, whole-canopy monitoring. Six Proxicrop units were built and deployed in the field to measure vine canopy temperature to determine if this technology is superior to soil moisture sensors for irrigation scheduling. This evaluation is ongoing. **CSA 1701-1.5**
Efficient and sustainable vineyard management		
New project initiated examining the use of under-vine cover crop plants to reduce the need for herbicide sprays, enhance soil moisture retention and nutrient cycling, and to maintain, or enhance, grape yields.	●	The major work this season was the establishment of field trials, which included the collection of soil samples and basic vineyard performance data (yield, fruit composition, vine nutrient status, LAI) and botanical surveys to establish species diversity. Soils were analysed for both bacterial/archeal and fungal microbiomes to gain a more complete picture of the microbiome, and will also be tested for mycorrhizal inoculum potential. Differences in soil biodiversity are obvious between vineyard management treatments. **UA 1803-1.4**
New project initiated to develop a diagnostic mobile app for vine nutritional disorders.	●	Version 1 of the app has been completed and achieved a high prediction of N deficiency. RGB images of old and young leaves were taken regularly to track the progression of nutrient deficiency and toxicity symptoms. The benchmarked dataset was developed through a laboratory ICP nutrient analysis of the petioles with matching symptom severity. The proposed algorithm has been developed to identify specific deficiency and toxicity symptoms through a machine-learning-based training and testing process. **CSU 1702-3**
New opportunities evaluated in agricultural technology and new investments made as appropriate.	●	Several new opportunities have been created, including the Farmers2Founders program that focuses on developing entrepreneurship and technology capabilities, so producers can solve critical industry challenges. Four grape and wine producers are developing entrepreneurial ideas through this program. **F2F 1901**
A mobile app, or other user interface, for a new tool to estimate grape yield using weather records and historical vineyard data.	●	The App element of this project has been delayed by the commercialisation partner and a final report on the models developed is being drafted. **MQ 1401**
A refined yield estimation dataset from trials of ultrawideband radar and 3D stereo imaging, based on improvements to image processing software.	●	The UWB radar sensor demonstrated great promise for counting bunches hidden within the canopy. In a test facility, the sensor was able to detect fewer than 10 berries hidden behind grapevine foliage. Both the UWB radar and RGB video imaging (e.g. Go Pro) methods of yield estimation produced the most encouraging results when the data was analysed with a machine learning approach rather than by conventional mathematical algorithms. **CSA 1602**
Field data from the third year of trials evaluating a hand-held NIR (near infrared) device to scan dormant grapevine buds in-situ as input to a new yield forecasting model based on bud fruitfulness measures.	●	This technique's success in predicting yield is dependent on the quality and depth of the calibration data set. Therefore the past year's focus was to expand the data set that correlates the NIR bud spectral data to potential inflorescence number and size in both Pinot Noir and Chardonnay, and to improve the performance of the hand-held NIR units in the field. **UT 1601**

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 6: Improving winery performance

2018–19 targets		2018–19 achievements
Enhancing yeast and bacterial performance		
New interspecies hybrids developed to complete hybrid portfolio.	●	One approach to maximise the possibility for intergenic hybridisations involves the use of stable hybrids of *Saccharomyces cerevisiae* wine strains. Putative hybrids of *S. cerevisiae* with *Lachancea kluyveri* have been isolated and are being evaluated. **AWRI 1701-3.2.1**
Non-GM wine yeast with modified volatile or non-volatile profiles from alterations to amino acid biosynthetic pathways.	●	Sensory assessment of the 2018 Chardonnay wines produced using alternative 'rose' aroma yeasts has been completed. These wines were presented in a workshop at the AWITC and show elevated rose aroma. **AWRI 1701 3.2.1**
Knowledge of juice or wine compositional factors that give rise to yeast or bacteria strain-specific fermentation problems.	●	Several experiments have been undertaken in which *O. oeni* was inoculated simultaneously with *S. cerevisiae* when the concentration of oxygen in the juice approaches saturation. The condition was not conducive to effective implantation of *O. oeni* and timely malolactic fermentation did not commence. These experiments determined that an optimal timing for MLF may be 24 hours post-inoculation. **AWRI 1701-3.2.2**
Strains of Brettanomyces isolated, genotyped and phenotyped for sulfite tolerance, growth rate and volatile phenol production.	●	Fifty isolates sourced from the sector have been screened for growth rate and tolerance to SO^2. In addition, those strains showing the highest tolerance under screening conditions have had full growth kinetics performed under a variety of SO^2 concentrations to confirm their tolerant phenotype. There is evidence of increased resistance to SO^2. **AWRI 1701-3.4.1**
Resources available on the Wine Australia website for winery wastewater management.	●	A new factsheet 'Managing the microbiology of winery wastewater treatment systems' drawing on and highlighting the outcomes from the Wine Australia project: Developing a fundamental understanding of the microbiological treatment of winery wastewater. Outcomes from the project reinforced previous material and practices and more detailed information can be found in the operational guidelines for winery wastewater treatment on the Wine Australia website at https://www.wineaustralia.com/growing-making/winery-wastewater-online-resource-kit
Efficient winery production		
Methods to assess and improve the efficiency of fermentation through the use of oxygen during alcoholic and malolactic fermentation.	●	A 'wild' Chardonnay juice was used to assess the effect of aeration on progress of non-inoculated ferments and the effect on volatile fermentation products. Ferments (2 L) were aerated at a fixed rate for variable times, have completed fermentation and have been analysed for wine chemistry. **AWRI 1701-3.1.5**
Data on the impacts of water addition on wine quality and style.	●	The results from the red wine dilution studies to date show that dilution reduced wine colour and tannin in Shiraz, but these parameters remained unchanged in diluted wines prepared from shrivelled Cabernet Sauvignon fruit. **AWRI 1701-4.1.1**

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 6: Improving winery performance

2018–19 targets		2018–19 achievements
Novel or more efficient approaches to achieving protein stabilisation.	●	'Using zeolites to protein stabilise white wines' was published demonstrating the high efficacy of this natural porous mineral to remove proteins from wine as an alternative to bentonite. **AWRI 1701-3.1.4**
Extension materials to facilitate roll-out of Activity-based costing (ABC) tool and benchmark database to the sector, including a guide for undertaking ABC in wineries, short instructional videos/animations on ABC and how to use the ABC tool and benchmark database and case studies demonstrating how wineries have used ABC to benchmark and improve production cost performance and decision making.	●	A final report on this project has been submitted. The benchmarking portion of the ABC Tool collects anonymous aggregated data to develop an overall benchmark in relation to the size of the winery. As more wineries use the tool, the benchmarking information will continue to improve in accuracy, providing effective benchmarking for year-on-year performance. Promotion of the tool will be undertaken over the coming year. **2XE 1501**

Strategy 7: Market access

2018–19 targets		2018–19 achievements
Market access		
No new wine production or labelling constraints emerge in existing markets and conditions in developing markets converge towards international norms.	●	A bilateral agreement on trade in wine between Australia and the United Kingdom was signed and will come into effect when the UK leaves the European Union. Wine Australia consulted regularly with trade and regulatory officials in the UK in an attempt to ensure minimal disruption to trade once the UK leaves the European Union. We liaised with regulators in Thailand and Brazil, both directly and through Embassy officials, to mitigate the impact of new analytical certification requirements being introduced in those markets.
No Australian wine shipments are rejected at the point of import when produced, labelled and certified in accordance with the advice provided in our Export Market Guides.	●	All 36 export market guides were reviewed during the year and updated where necessary. We were not made aware of the rejection of any products produced in accordance with our advice.
Completed FTAs are ratified in as short a time as possible, while officials engaged in ongoing negotiations, either in bilateral or multilateral agreements or at the WTO, are provided with accurate advice regarding market conditions.	●	The Comprehensive and Progressive Trans Pacific Partnership Agreement entered into force during the year and includes a specific annex addressing technical matters of importance to the wine sector. We provided assistance to Department of Foreign Affairs and Trade officials during their ongoing discussions towards a possible free trade agreement with the European Union. Advice and information was also provided to officials engaged in the dispute with Canada over wine taxation and marketing arrangements at the World Trade Organisation in Geneva.

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 8: Building capability

2018–19 targets		2018–19 achievements
Developing people		
At least 15 members of the grape and wine community commence leadership and personal development training in 2018–19. At least 30 members of the alumni will attend a professional development masterclass.	●	15 individuals from across the grape and wine community were selected from over 85 applications to participate in Future Leaders 2019. 32 individuals from the Wine Australia leadership alumni attended a leadership professional development masterclass. 15 individuals from the alumni are participating in a coaching mastery program as part of Future Leaders 2019.
The capacity of the next generation of researchers is developed through at least six scholarships for PhD and Masters study; travel support is extended to at least eight incoming or outgoing scholars; and at least six early-career researchers work with Australia's wine regions to lead a co-funded locally-focused research project.	●	We supported 7 new PhD scholarships and 16 outgoing travel bursaries. Five early-career researchers were matched and supported to undertake co-funded regionally focused research projects.

Strategy 9: Business intelligence and measurement

2018–19 targets		2018–19 achievements
Business intelligence		
In-depth market insight reports delivered on China, the USA, the UK, Australia and selected emerging markets.	●	Drafts insight reports prepared for China, Australia and the USA. The UK to be finalised in 2019–20.
Produce, deliver and communicate market-specific statistics and reports for the sector that guide business decisions and our investments in marketing and RD&E.	●	Regular market insights provided through the weekly Market Bulletin and market-specific reports on the website.
Deliver targeted presentations aimed at increasing awareness of the global wine sector information that is available. Provide timely and accurate responses to ad hoc questions.	●	Presentations provided at various conferences, workshops and webinars. The Market Insights team provided timely and accurate responses to questions received via emails and phone-calls.
At least 75 per cent of stakeholders indicate a high level of satisfaction with the services provided across the business.	●	Some 86 per cent of surveyed stakeholders indicated a high level of satisfaction with the services provided across the business.
BCAs indicate at least 75 per cent of programs measured achieve a positive return on investment.	●	100 per cent of the programs randomly selected and measured achieved a positive return on investment

● Achieved ● In progress / partially achieved ● Not achieved

Priorities 1 and 2: Extension and adoption

Strategy 10: Extension and adoption

2018–19 targets		2018–19 achievements
Extension and adoption		
R&D project assessment criteria include evaluation of the extension plan and the likelihood of adoption by levy payers.	●	Pathways to extension and adoption were incorporated into the planning and approval process of research projects.
All eleven regional clusters actively participate in delivering activities	●	The Regional Program delivered over 80 per cent of the planned activities across the 11 regional clusters.
At least 85 per cent of survey respondents who attend workshops provide an overall rating of at least 4 out of 5.	●	Over 90 per cent of survey respondents who attended workshops provided an overall rating of at least 4 out of 5 (above average to excellent).
At least 80 per cent of survey respondents indicate that information provided at workshops is useful in their business.	●	85 per cent of survey respondents indicated that information provided at workshops is useful.

Supporting functions

Strategy 11: Corporate affairs and strategy

2018–19 targets		2018–19 achievements
We increase the readership of our newsletters and bulletins. Our information is available through a range of channels in a timely manner. General and specialist media reporting of our key messages continues to grow.	●	During the year, we issued 85 newsletters and bulletins and we reached more readers: • weekly Market Bulletin subscriptions rose 37 per cent to 3264 subscribers • monthly RD&E News subscriptions rose 34 per cent to 3673 subscribers • monthly Wine Australia news subscriptions rose 51 per cent to 4454 subscribers • monthly Export and Regional Wine Support Package News subscriptions rose 259 to 2154 subscribers • bi-monthly Exporter News subscriptions rose 29 per cent to 7724 subscribers.
Through regular engagement with national, state and regional representative bodies we build mutual awareness and understanding.	●	We meet regularly with our national, state and regional representative bodies to share information, collaborate and add value for our stakeholders.
Through regular communications and engagement, we build awareness of our priorities, activities and achievements.	●	We communicate timely information so that people know how Wine Australia can help them to do better business. Three quarters of our stakeholders (74 per cent) believe that the amount of contact they receive from Wine Australia is about right.

● Achieved ● In progress / partially achieved ● Not achieved

Strategy 12: Corporate services

2018–19 targets		2018–19 achievements
Finance and administration		
All contracts are paid as and when due.	●	All payments made in accordance with payment terms.
External audit reports 100 per cent adherence to Reserves policy.	●	Reserves policy adhered to for the 2018–19 financial year.
External audit reports 100 per cent maintenance of the reserve of $3 million.	●	Balance of reserves at 30 June 2019 of $16 million were higher than the $3 million minimum requirement.
Externally provided services, events and activities meet our commercial needs.	●	We procured goods and services in such a way that met our commercial needs, complied with our procurement policy, and accorded with the Commonwealth Procurement Rules.
Annual briefing for staff on finance policy and procedures. Application of the policy and procedures mitigates risk of non-compliance.	●	We introduced a new Policy Governance and Probity Framework and maintained an appropriate level of risk management and oversight in accordance with our Risk Management Plan
People and culture		
Employee Engagement survey is undertaken and results communicated to all staff. Opportunities for improvement are recommended to the Leadership Team.	●	An Employee Engagement Survey was completed in September 2018 and the results were communicated to all staff. The Leadership Team analysed the results, which were overall very positive, and decided to focus on leadership, feedback and recognition, training and development and communication and collaboration to make Wine Australia an even better place to work.
Each team member has a personal development plan. Managers review implementation of plans with team members.	●	Each staff member had a performance review with their manager in Feb/March 2019 and agreed on a development plan that would help the individual and the business achieve its objectives.
Each team member complies with HR policies and procedures. Any issues of non-compliance are managed in a timely and effective manner.	●	Employee Handbooks were implemented in each of our office locations, so each staff member is aware and adheres to our HR policies and procedures. Any issues of non-compliance are dealt with by the employee's manager and HR Manager in a timely and effective manner.
Information communication technology		
Our external and internal stakeholders are able to access our systems to support their business.	●	Microsoft OneDrive and new Data Warehouse were both completed. Additionally, a new intranet was launched on our Office 365 platform.

● Achieved ● In progress / partially achieved ● Not achieved

Export and Regional Wine Support Package

Export and Regional Wine Support Package

2017–18 targets		2017–18 achievements
Program 1 Accelerating growth in international demand		
Benefit-Cost ratio		
Achieve a benefit-cost ratio (BCR) of greater than 5:1 across the whole package.	●	Current benefit-cost ratio will not be available until the end of the package.
Improved demand for Australian wines in key markets		
Australian wine exports grow by 7–8 per cent CAGR per annum by 2019-20 to A$2.8 billion overall.	●	Total export growth tracking positively to end of Package target driven predominantly by growth in China ($2.86 billion at end of 2018-19).
Australian wine exports to USA grow by 6 per cent CAGR per annum by 2019-20 to A$488 million (at 0.85 AUD:USD).	●	After a period of declining exports to the USA exports stabilized and achieved a small increase of 2 per cent in the year ended June 2019. Exports between $7.50 and $9.99 led the way.
Australian wine exports to China grow by 15-17 per cent CAGR per annum by 2019-20 to A$980 million (at 5.8 AUD:CNY).	●	Exports to China reached $1.2 billion at the end of 2018-19.
Australia's volume share of the imported wine market grows in fine wine segment ($US10 a bottle and above) in the USA.	●	International Wine and Spirits Record (IWSR) data shows that share of market had grown from 5 per cent to 6 per cent with the target being 6 per cent.
Australia's volume share of the imported fine wine market (CNY90 per bottle and above) grows in fine wine segment in China.	●	IWSR data shows share at end of 2018-19 was 23 per cent compared with the Package target of 21 per cent.
Improved bottled FOB value by 2019–20		
Baseline bottled FOB at commencement of Package was $5.46 with a target of $5.94	●	FOB Value growth tracking positively to end of Package target reaching $6.54 per litre, driven predominantly by growth at premium price points in China.
Higher winegrape price by 2019–20		
At commencement of Package average winegrape price was $565 per tonne with a goal of $590 per tonne.	●	The National Vintage Survey for 2019 reported an average price of $664 per tonne – the highest level since 2009 and a 9 per cent increase on the previous vintage.
Program 2a Creating China-ready businesses		
30 existing wineries commence exports to China and/or other FTA markets as a result of participating in the wine capability program by 2020.	●	12 producers as at June 2019 and trending positively as the number of workshops delivered increases.
Programs 2b and 3 Grants programs		
Wine export grant recipients increase their collective wine exports by 7-8 per cent CAGR per annum by 2019-20.	●	Grant recipients to date have collectively grown their exports by 6 per cent compared to the same period last year.
Increased perception of international tourist services, products and experiences	●	Baseline surveys completed for most grant projects. Comparison surveys to be completed in May 2020.
Program 4 Transforming cider businesses		
75 per cent of Cider Australia producers participate in developing and support the strategy.	●	76 per cent of Cider Australia members have been involved in the development of the brand proposition and trustmark or have applied to use it as at June 2019.

● Achieved ● In progress / partially achieved ● Not achieved

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