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AWISSP Factsheet: Central Organisation Audit Model

This fact sheet includes useful information about:

- Application of the Central Organisation Audit Model
- What is a Central Organisation?
- Who is a Central Organisation Audit Model Applicable to?
- Examples of Application
- What you need to do for this Audit Model Approach
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- Guide to Elements of the Standard and Example Cases.

CENTRAL ORGANISATION AUDIT MODEL

To improve the efficiency of the audit process for certain business structures operating in the Australian Wine Industry, we have developed a new approach to our model for the Australian Wine Industry Standards of Sustainable Practice – Viticulture and Winery.

The aim of this audit model approach is to make the certification process as efficient as possible, whilst still ensuring a robust assessment of the sustainability commitments being made across the industry through implementation of the program. This audit model approach is relevant to businesses who have part, or all their sustainability program managed by a 'Central Organisation'.

What is a Central Organisation?

A Central Organisation for the purposes of this audit model, is defined as an organisation that oversees and/or contributes to the sustainability management system on behalf of other businesses or trading entities. The Central Organisation must be able to demonstrate a legal or contractual link between the businesses or trading entities that it manages.

You could be considered a Central Organisation if you manage part or all of the sustainability management system on behalf of other viticulture or winery businesses, have the appropriate contractual arrangement set up and meet the criteria as outlined in this factsheet.

Who is a Central Organisation Audit Model Applicable to?

If all or most of the Sustainability Program is managed for your business by a central organisation such as:

- a vineyard or winery management company,
- one family business overseeing multiple businesses owned by other family members, or
- a corporation that owns your business,

When applying to your certification body to book your audit, request that they advise you on how you can apply using the **Central Organisational Audit** model.

EXAMPLES OF APPLICATION

Vineyard or Winery Management Company

If you are a vineyard or winery management company, and/or a viticulture/sustainability advisor, you may be the nominated Central Organisation for multiple businesses. In this scenario, you would predominantly manage (and record) all sustainability plans and decisions for multiple clients. A single audit could be arranged for your clients if their sustainability program is managed in the same way. This could be relevant for absentee and/or small landowners who rely on external advisors for vineyard sustainability management.

Family Member Management

Multiple family members own vineyards each under a different business. One family business is responsible for managing the sustainability program on behalf of other family members (and therefore their businesses). This family member could arrange the audit on behalf of the other family members (businesses).

Corporation

A single corporation owns multiple businesses. The corporation is responsible for managing part or all the sustainability program on behalf of the businesses it owns. The elements of the sustainability program that are managed the same way across all businesses can be assessed once by the auditor.

There are two **examples** presented later in this document to demonstrate the structures that may be enacted under this framework.

WHAT YOU NEED TO DO FOR THIS AUDIT MODEL

1. Register with Freshcare for certification.

Each business/trading entity under the Central Organisation must be registered with Freshcare. This usually occurs via the trainer who delivers your sustainability certification training. Additional businesses may be registered directly with Freshcare after training.

The person responsible for the management of the Sustainability program must have a Freshcare training certificate (issued to you at certification training). In the standards, this will be referred to as the management representative.

2. Application to a Certification Body

The Certification Body must view a legal or contractual agreement between the central organisation and the other businesses, to ensure eligibility to undertake audits under this framework. Once the Certification Body has a clear understanding of the business structure and requirements they will proceed into the application, quoting and scheduling processes.

3. Sustainable Winegrowing Australia membership requirements

A current Sustainable Winegrowing Australia membership certificate should be supplied to your Certification Body when applying for certification and will be verified again during audit.

If your business has vineyards and/or wineries located in different GI regions, a separate, current Sustainable Winegrowing Australia membership certificate is required for each site. In most cases, Vineyard and Winery and Wine Business memberships will each have a separate Sustainable Winegrowing Australia membership certificate.

UNDERTAKING A CENTRAL ORGANISATION MODEL AUDIT

Audits will begin at an agreed central location (e.g head office) where the management representative of the business would clearly articulate to the auditor which elements of the standard they manage on behalf of the other businesses/trading entities. The auditor will verify these documents and records and commence the audit reporting.

Following this initial step, the auditor will then visit individual businesses and sites to verify the remaining elements of the standard.

Table 1 below is a guideline to assist businesses and certification bodies on which elements can be audited centrally. It is recommended that the business creates their own document register or similar to show which documents and records are managed centrally, and which are managed at an individual business or site level.

What happens if the corporate entity sells a business, or a site attached to a business?

The business being sold is no longer considered linked to the corporate entity. In the case of the sale of a business (ie a Winery), the certificate for that business will be withdrawn. The purchaser will need to apply for certification under their own company sustainability program.

If it is one site address on a certificate along with several others, that site will be considered no longer certified and the address will be removed from the certificate, and an updated version of the certificate issued.

What happens if you break the contract with the vineyard management company?

As per the sale scenario above, as the business is no longer considered linked to the management company, the certification will be withdrawn, and the business will need to re-apply for certification.

As per the rules of the program, it is important that certified business ensure that they reach out to their certification body in a timely manner regarding any proposed changes that impact their certification. The certification body is best able to advise what steps are necessary to ensure continuity of certification.

If you are considering this model, ensure the contract with your Central Organisation allows you to maintain your Sustainability program documentation in the event you part ways with your Central Organisation.

Table 1 - Guide to the elements of the standard.

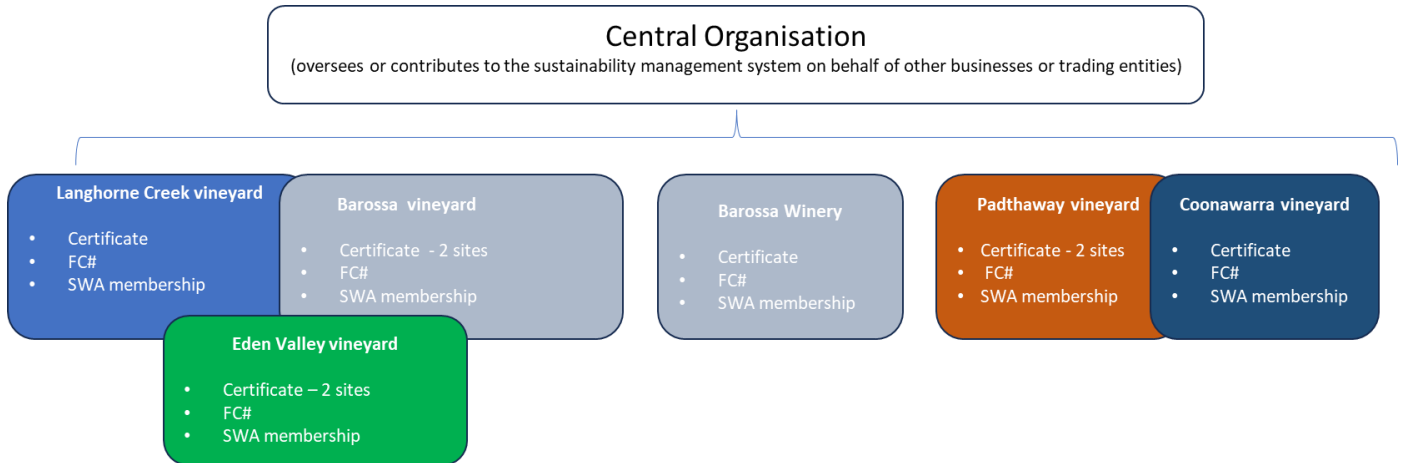
Elements are indicated by an **A** and are commonly managed centrally in a Corporate Organisation audit model.

Site specific elements are indicated by a **B**, and commonly required to be verified on a site-by-site basis. **Note this may vary depending on individual organisations management strategies.**

Standard	Element	Part
VIT_WIN	M1 Scope and commitment	A
VIT_WIN	M2 Sustainability Action Planning	A and B
VIT_WIN	M3 Documentation	A
VIT_WIN	M4 Training and development	A and B
VIT_WIN	M5 Suppliers	A
VIT_WIN	M6 Customer and regulatory requirements	A
VIT_WIN	M7 Incident Management, Internal audit, corrective and preventative action	A and B
WIN	M8 Product Identification, Traceability, Withdrawal and Recall	A
VIT_WIN	E1 Biosecurity	A and B
VIT	E2 Land, Soil and Nutrient Management	A and B
WIN	E2 Chemical Management	A and B
VIT	E3 Pest and Disease Management	A and B
WIN	E3 Emergency Response	A and B
VIT_WIN	E4 Water	A and B
WIN	E5 Wastewater Management	A and B
VIT_WIN	E5/E6 Biodiversity	A and B
VIT_WIN	E6/E7 Waste	A and B
VIT_WIN	E7/E8 Air Quality	A and B
VIT_WIN	E8/E9 Energy and Fuel	A and B

Example- Case 1

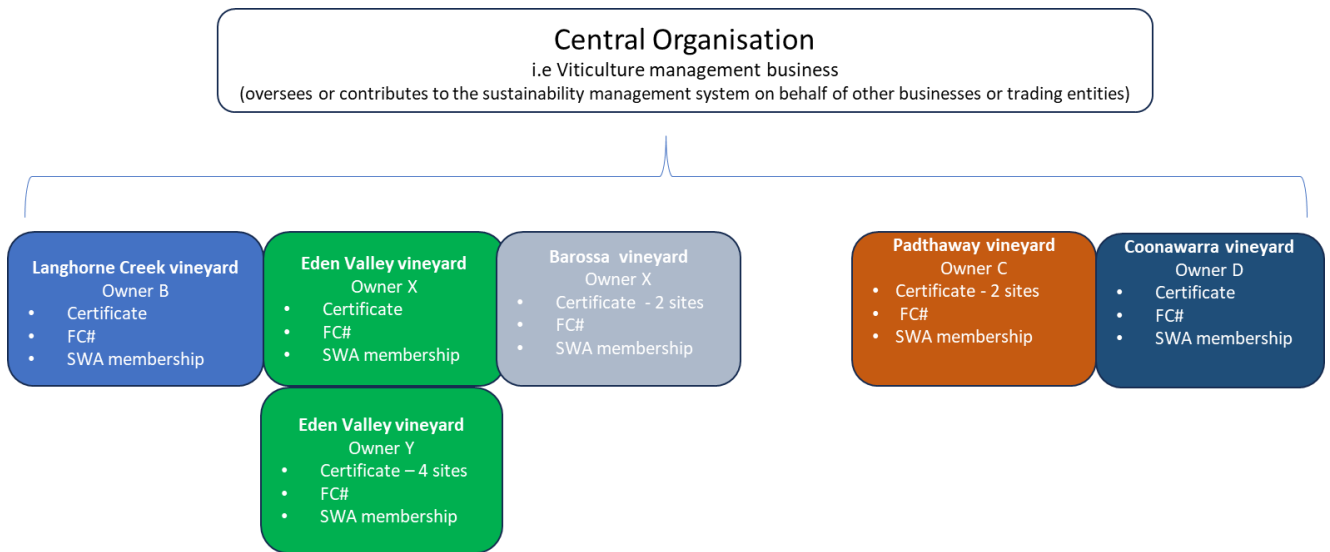
Corporate Ownership structure



In this example the central organisation is a corporate business that owns 6 businesses/sites, these include 5 vineyards and 1 winery.

- Each business has:
 - An individual ABN
 - A current Sustainable Winegrowing Australia membership
 - A Freshcare registration, (FCxxxxxx)
 - A contract with the Certification Body
- A representative from the central organisation has completed the Freshcare Training and is responsible for implementing the sustainability program across the 6 businesses it owns.
- The corporate business name will be listed alongside the certified business on each certificate to demonstrate the framework in which the certificate was issued.

Example- Case 2



In this example the central organisation is a viticulture management business that is responsible for the implementation of all/or part of the sustainability program across multiple businesses.

- In this example there are 6 registered vineyard businesses each with:
 - An individual ABN
 - A current Sustainable Winegrowing Australia membership
 - A Freshcare registration (FCxxxxxx)
 - A contract with the Certification Body
- A legal/contractual link exists between the viticulture management business and the 6 businesses.
- A representative from the viticulture management business has completed the Freshcare Training and is responsible for implementing the Sustainability program across the 6 businesses.
- The viticulture management business will be listed alongside the certified business on each certificate to demonstrate the framework in which the certificate was issued.