

WE MAKE AUSTRALIA SAFER THROUGH IMPROVED NATIONAL ABILITY TO **DISCOVER**, **UNDERSTAND** AND **RESPOND** TO CURRENT AND EMERGING CRIME THREATS AND CRIMINAL JUSTICE ISSUES, INCLUDING THE ABILITY TO **CONNECT** POLICE AND LAW ENFORCEMENT TO ESSENTIAL POLICING KNOWLEDGE AND INFORMATION.

# SECTION 02

## ANNUAL PERFORMANCE— HOW WE ACHIEVED OUR PURPOSE

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## 2.1 ANNUAL PERFORMANCE STATEMENT

### STATEMENT OF PREPARATION

I, as the accountable authority of the Australian Criminal Intelligence Commission (ACIC), present the 2016–17 annual performance statement of the ACIC, as required under paragraph 39(1)(a) and (b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and associated, performance relevant PGPA Rules.

In my opinion, in accordance with section 37 of the PGPA Act, this annual performance statement is based on properly maintained records and in accordance with section 38 and subsection 39(2), appropriately measures, assesses and provides information about the ACIC's performance in achieving our purposes, and complies with the requirements prescribed by the relevant PGPA Rules.



Nicole Rose PSM  
Acting Chief Executive Officer  
Australian Criminal Intelligence Commission

### INTRODUCTION

#### LINK TO PURPOSE

The ACIC's purpose is to make Australia safer through improved national ability to **discover, understand, and respond** to current and emerging crime threats and criminal justice issues, including the ability to **connect** police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.

This purpose is stated in the *ACIC Corporate Plan 2016–20* and is aligned with the ACIC outcome in the Portfolio Budget Statements (PBS) 2017–18.<sup>6</sup>

From the establishment of our merged agency on 1 July 2016, we implemented our consolidated performance framework that incorporates all the performance criteria of both former agencies (the ACC and CrimTrac) and forms the basis for our performance reporting. Our corporate plan and PBS performance criteria align exactly.

6. In 2016–17 the Portfolio Budget Statements were for the two separate former agencies, the Australian Crime Commission (ACC) and CrimTrac. The 2017–18 ACIC Portfolio Budget Statement recognises that our merged agency will report against the new agency's performance criteria. ACIC Portfolio Budget Statements can be accessed here [www.ag.gov.au/Publications/Budgets](http://www.ag.gov.au/Publications/Budgets)

CORPORATE PLAN APPROACH	PERFORMANCE CRITERIA	CRITERIA SOURCE
CONNECT	<b>Connect 1:</b> Existing ACIC systems and services are accessible, used and reliable.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
	<b>Connect 2:</b> The delivery and implementation of new and enhanced ACIC systems and services satisfies the needs of stakeholders and users.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
	<b>Connect 3:</b> The ACIC is sharing increasing volume, breadth and formats (mediums, platforms) of criminal intelligence and information, police information, and other relevant information.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
	<b>Connect 4:</b> The ACIC builds, coordinates and maintains strong and collaborative relationships with domestic and international partners.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
DISCOVER	<b>Discover 1:</b> The picture of crime impacting Australia is improving because the ACIC is discovering crime threats, vulnerabilities, patterns, methods and trends previously unknown.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
UNDERSTAND	<b>Understand 1:</b> The understanding of the picture of crime impacting Australia is increasingly more comprehensive, integrated and relevant.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
	<b>Understand 2:</b> The understanding of the picture of crime impacting Australia is increasingly used to guide strategies and responses to crime.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
RESPOND	<b>Prevent</b> <b>Respond 1:</b> The ACIC better informs and influences the hardening of the environment against crime.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
	<b>Disrupt</b> <b>Respond 2:</b> ACIC is conducting investigations and intelligence operations, and producing intelligence that is effective in disrupting, disabling and dismantling serious and organised crime.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>
	<b>Protect</b> <b>Respond 3:</b> ACIC partners are better informed and enabled to undertake policing and community safeguarding activities through access to national information systems and services.	<ul style="list-style-type: none"> <li>▪ Corporate plan 2016–20, page 9</li> <li>▪ PBS 2017–18, page 81</li> </ul>

## HOW WE MEASURE

Our agency is part of the shared effort across many Commonwealth, state and territory government departments, and policing and law enforcement agencies, to make Australia safer from crime. Our performance criteria identify the *intended results* of our contribution to, and impact on, this shared effort.

Wherever possible, the performance criteria have a number of measures for efficiency and effectiveness (incorporating a mix of quantitative and qualitative information):

- Quantitative measures are benchmarked against previous performance, with accompanying analysis to provide a basis for assessment.
- Qualitative measures provide evidence demonstrating our effectiveness against the intended result.
- As our stakeholders are important to understanding the effectiveness of our performance, our stakeholder survey results are part of the suite of measures used to assess performance against each criteria.

Performance results across the 10 performance criteria are provided in the following section. Analysis and an assessment of performance for **each criteria** is based on the overall results from the combination of relevant measures. For statistical results, we provide up to five years of comparative data where available, to enable comparative assessment of performance. Where relevant, our analysis of results in each performance criteria also includes key environmental factors that have influenced our performance.

Further details of our performance are in the remaining sections of this chapter (see with page numbers provided against performance results).

Our performance criteria align with our purpose and strategic approach: to **connect**, **discover** and **understand** so Australia can better **respond** to crime threats. We apply our performance criteria across all our activities to determine our agency's achievements in delivering our purpose. Due to the interrelated nature of much of our work, our activities can achieve multiple types of performance outcomes.

Some of our strategies to deliver against our purpose are short-term and some are long-term. This means in any reporting period, to provide a true picture of our performance, we must reflect on our contribution across the performance criteria, even when some of our work to discover and understand has not yet resulted in a tangible response or outcome for the Australian community.

Our stakeholder survey is an important part of our performance measurement and this is the first time we have surveyed our stakeholders in relation to these performance criteria. We will survey our stakeholders each year to enable comparative assessment of their views of our performance. We provide a wide range of services and products, and some are relevant to only particular stakeholders. To provide as accurate measure as possible, we designed our survey so that the stakeholders who are in the best position to form a view of a particular aspect of our performance are asked the relevant questions.

## BENEFITS

The Australian community benefits from our activities, as our efforts (collectively with our partners) lead to a safer Australia. Our partners also benefit from our activities. This includes the policing, law enforcement and regulatory agencies we collaborate with and provide services, information and intelligence to, in order to support and improve their individual ability, and our collective ability, to make Australia safer.

We acknowledge that it is not possible to effectively measure our performance where the intended benefit of our activity is informing other agencies' strategic responses to crime threats, as this information is not consistently or routinely recorded or made available by other agencies (although stakeholder surveys may provide a partial indicator). In these circumstances, we use narrative evidence on our strategic output to reflect on our performance.

As we work in close partnership with our stakeholders, we are able to systematically collect performance data on how our joint activities have achieved results against our shared outcome, and record our contribution to these outcomes. In other circumstances, our intelligence products are provided to a broad range of agencies and we do not always have 'line of sight' on their eventual use or impact. While we do receive some feedback, it is not systemic.

Our information and intelligence systems and services provide value to our stakeholders by enhancing their ability to undertake *their* role in keeping Australia safe. We cannot apportion specific aspects of their performance to our contribution, but we can measure the quality and volume of data and the reliability of the systems we provide. We also seek to measure the efficiency and effectiveness benefits our partners gained through new and enhanced systems.

## OUR PERFORMANCE RESULTS

### CONNECT

We help our partners by: providing them with systems and services; sharing criminal intelligence and information, research, policing and other relevant information; and connecting partners to us and each other.

#### PERFORMANCE CRITERIA

**CONNECT 1:** Existing ACIC systems and services are accessible, used and reliable.

#### RESULT

Overall this performance criteria has been **met.** ✓

#### EXPLANATION

We provide various types of services through a range of different systems.

We measure our performance against this criteria by assessing:

- **system availability**—percentage of time systems were available (maintaining system availability ensures reliable access to related services)
- **service provision**—range of agencies we provide services to
- **service usage**—number of users and number of system searches
- **stakeholder survey performance results**—as these systems and services are provided to our stakeholders, we ask specific questions in our stakeholder survey to measure performance.

By reliably providing these systems and services, and ensuring they are accessible and used by the appropriate police, law enforcement and intelligence agencies, we contribute to the effectiveness of our collective efforts to keep Australia safer from crime.

#### System name key for tables

SERVICE TYPE	SYSTEM NAME	SYSTEM ACRONYM	PAGE
Frontline	National Police Reference Service	NPRS	130–31
	National Names Index	NNI	131
	National Firearms Identification Database	NFID	132–33
	National Firearms Licensing and Registration System	NFLRS	132
	Australian Ballistic Information Network	ABIN	133
	National Vehicles of Interest	NVOI	134, 142
Biometric and forensic	National Automated Fingerprint Identification System	NAFIS	137–38
	National Criminal Investigation DNA Database	NCIDD	137–39
	National Missing Person and Victim System	NMPVS	139
Protection	National Child Offender System	NCOS	139–140
	Child Exploitation Tracking Service	CETS	140
Checking	National Police Checking Service (provided through the NPCS Support System, known as NSS)	NPCS/NSS	131, 150–51
Cybercrime reporting	Australian Cybercrime Online Reporting Network	ACORN	119, 135
Criminal intelligence	Australian Law Enforcement Intelligence Network	ALEIN	143
	Australian Criminal Intelligence Database*	ACID	143–44
	National Target System (incorporating our National Gangs List)	NTS	147–48
	Violent Sexual Crimes Database	N/A	141

\* This system also hosts the Clandestine Laboratory Database.

## CONNECT (Continued)

## SYSTEM AVAILABILITY

System availability<sup>7</sup> where historical data is available

SERVICE TYPE	SYSTEM	2012-13 (%)	2013-14 (%)	2014-15 (%)	2015-16 (%)	2016-17 (%)	BOARD-AGREED BENCHMARK (%) <sup>*</sup>	BENCHMARK MET
Frontline	NPRS	99.7	99.5	99.7	99.6	99.6	99.5	✓
	NNI	99.7	99.9	99.5	99.9	99.7	99	✓
	NFID	99.5	99.9	99.8	99.7	99.7	96	✓
	NFLRS	99.7	99.9	99.5	99.9	99.7	99	✓
	ABIN	Not applicable	Not applicable	99.9	100	99.9	95	✓
	NVOI	99.7	99.8	99.5	99.9	99.7	99	✓
Biometric and forensic	NAFIS	99.4	99.8	99.7	99.7	99.5	99.4	✓
	NCIDD	99.7	99.8	99.8	99.7	99.6	99	✓
	NMPVS	Not applicable+	Not applicable+	Not applicable+	99.7	99.9	96	✓
Protection	NCOS	99.7	99.7	99.8	99.6	99.6	99.5	✓
	CETS	99.7	100	99.8	100	100	96	✓
Checking	NPCS/NSS	99.6	99.9	99.9	99.6	99.3	99	✓
Cybercrime reporting	ACORN	Not applicable+	Not applicable+	99.6	99.5	98.8	96	✓

<sup>\*</sup>For our frontline and other systems directly supporting police operations, including police checks, we developed an agreed availability benchmark with our Board for each of the systems depending on usage requirements. In 2016-17 we exceeded all of these Board-agreed benchmarks.

+ NMPVS was not delivered as a national system until 2015-16. ACORN did not commence operations until 2014-15.

We have not been reporting criminal **intelligence system availability** in recent years, but will now do so moving forward, noting that our Board has not set availability benchmarks for these systems.

*Criminal intelligence system availability*

SERVICE TYPE	SYSTEM	2016-17(%)
Criminal intelligence	ALEIN	99.8
	ACID	100
	NTS	99.9

7. Our system availability reporting provides the percentage of time systems were available, excluding scheduled outages. We provide our systems nationally to multiple agencies. Many of our systems are integrated or routed via partner agency systems, meaning issues unrelated to our service can also affect availability. As a result, we derive national availability reporting from user notifications of outages across multiple jurisdictions.



## CONNECT (Continued)

### SERVICE PROVISION

Our **frontline and biometric and forensic services** are provided to the **Australian Federal Police** and **all state and territory police agencies**. We also provide appropriate access to some of this information to the Department of Immigration and Border Protection, the Australian Securities and Investments Commission and state-based crime and corruption bodies.

Our **criminal intelligence services** are provided to the **Australian Federal Police, all state and territory police agencies** and 18 other **law enforcement and regulatory bodies**.

The **National Police Checking Service** is used by police and accredited bodies, including government agencies, private sector businesses and brokers, not-for-profit organisations and screening units responsible for the assessment of people who apply to work with children or vulnerable people.

Criminal history checks were performed for **244** stakeholders in 2016–17.

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143–49

150–51

#### *Number of stakeholders criminal history checks were performed for*

2012–13	2013–14	2014–15	2015–16	2016–17
143	160	180	220	244

The **Australian Cybercrime Online Reporting Network** is **publicly available** for reporting of instances of cybercrime. The Australian Cybercrime Online Reporting Network attracted 240,324 visitors in 2016–17 and receives reporting on cybercrime from the public. We refer reports to law enforcement agencies for appropriate action.

#### *Number of ACORN reports received and referred*

MEASURE	2014–15	2015–16	2016–17
Number of reports received	25,000	41,341	47,873
Number of reports referred to police	16,352	31,367	37,999
Percentage of reports referred to law enforcement agencies (%)	65.41	75.95	79.37

### SERVICE USAGE—NUMBER OF USERS

This measure has not been used uniformly across all our systems in previous years, so historical data is only available for some systems.

#### *Number of users where historical data is available*

SERVICE TYPE	SYSTEM	2012–13	2013–14	2014–15	2015–16	2016–17
Frontline	NPRS	68,000	70,000	70,611	76,622	77,865
	ALEIN	2,817	2,896	3,103	3,320	3,841
Criminal intelligence	ACID	1,618	1,600	1,642	1,815	2,058
	NTS	331	491	632	753	825

Note: Totals displayed above represent either 'total' or 'active' users of each system, depending on which system statistics are available.

## CONNECT (Continued)

*Number of users in 2016–17*

SERVICE TYPE	SYSTEM	2016–17
Frontline	NNI	6,003
	NFID	User data currently not available
	NFLRS	8,160
	ABIN	107
	NVOI	8,775
Biometric and forensic	NAFIS	1,277
	NCIDD	172
	NMPVS	535
Protection	NCOS	2,678

## Notes:

- Totals displayed above represent either 'total' or 'active' user of each system, depending on which system statistics are available.
- ACORN is publicly available via the internet so user statistics are not applicable. Site visit and reporting data is provided on page 135.
- Child Exploitation Tracking Service user data is not made publicly available.

The Australian Ballistic Information Network (ABIN) and National Firearms Identification Database (NFID) are designed to be used by firearm specialists and are expected to have smaller user numbers. Similarly, the National Criminal Investigation DNA Database (NCIDD) and National Missing Person and Victim System (NMPVS) are designed to be used by limited numbers of forensic specialists.

## SERVICE USAGE—NUMBER OF SYSTEM SEARCHES

*Level of usage where systems are accessed by way of recorded searches*

SERVICE TYPE	SYSTEM	2013–14	2014–15	2015–16	2016–17
Frontline	NPRS	38,000,000	38,342,842	42,191,332	44,314,606
	NNI	1,694,887	1,567,658	1,688,727	1,534,755
	NFID	12,229	15,902	19,595	20,546
	NFLRS	206,000	229,261	253,178	278,010
	NVOI	2,544,849	10,290,729	9,013,329	7,311,687
Biometric and forensic	NAFIS	939,344	969,851	1,258,421	1,478,306
Criminal intelligence	ACID	320,536	248,745	222,075	319,246

*Level of usage related to number of police history checks processed*

2012–13	2013–14	2014–15	2015–16	2016–17
3,210,000	3,740,000	3,960,000	4,330,000	4,759,577

## CONNECT (Continued)

The following measure for the National Police Checking Service is not only an ACIC performance measure, but also one shared with our police partners in providing this service to the wider community and other agencies. When an initial search reveals a potential match (approximately a third of all checks) it is referred to the relevant jurisdiction to confirm the identity in the first instance. If police confirm a match, they then apply the relevant spent conviction legislation and/or relevant information release policies to determine what information can be disclosed, before the check is finalised. This can sometimes be complicated and, in a small number of cases, cause delays beyond the agreed timelines.

### Timeframes for completion of police history checks

	2012–13 (%)	2013–14 (%)	2014–15 (%)	2015–16 (%)	2016–17 (%)	BOARD-AGREED BENCHMARK (%)*	BENCHMARK MET
On time—standard checks	96	91.6	95.5	96.7	97.2	95	✓
On time—urgent checks	90	94.4	93.7	88.2	93	95	✗

\* Target completion timeframes are 10 days for standard checks, and five days for urgent checks.

## STAKEHOLDER SURVEY PERFORMANCE RESULTS

**67%** of stakeholders surveyed agreed or strongly agreed that ACIC national policing and intelligence systems and services are reliable.

**73%** of stakeholders surveyed agreed or strongly agreed that ACIC national policing and intelligence systems and services are accessible.

### OTHER STAKEHOLDER SURVEY RESULTS THAT AUGMENT THE VIEW OF PERFORMANCE

**95%** of all stakeholders surveyed indicated that our information and intelligence services and systems were of value, or of great value, to them or their business area.

**90%** of stakeholders surveyed from organisations that used our services and systems agreed or strongly agreed that our information and intelligence services were valuable to the work of their organisation (all other respondents were neutral).

**82%** of stakeholders surveyed from organisations that used our services and systems agreed or strongly agreed that the ACIC is trustworthy in handling our partners' information.

## PERFORMANCE CRITERIA ANALYSIS

Our results indicate performance consistent with previous years, with high levels of system availability and steady increases in users and user searches. During our first year of operation as a merged agency, we did not extend the provision of our services to more organisations, other than an increase in National Police Checking Service accredited bodies.

This is the first time we have surveyed stakeholders with specific questions about their views on our systems and services and, although the results are largely positive, it is somewhat concerning that a third of stakeholders surveyed were not convinced our systems were reliable, and a quarter were not convinced our systems were accessible. However, further analysis of the survey data indicates that only a small proportion (6% and 8% respectively) disagreed with the statements, with 26% and 20% providing a neutral answer. This will clearly be an area of focus in the coming year to determine and rectify the causes of this lack of certainty. Other results from our stakeholder survey also indicate that our partners consider the systems and services provided to be valuable to their work.

We are exploring broader collection of system and service performance information to provide a richer set of performance measures across all relevant systems.

## CONNECT (Continued)

### PERFORMANCE CRITERIA

**CONNECT 2:** The delivery and implementation of new and enhanced ACIC systems and services satisfies the needs of stakeholders and users.

### RESULT

Overall this performance criteria has **not been met.** ✘  
(please see performance criteria analysis section on page 44)

### EXPLANATION

We measure our performance against this criteria by demonstrating **projects delivered** regarding new and enhanced systems.

As some major new systems are not delivered within a single reporting year, we also provide information on **projects progressed** and **projects planned** during the reporting period.

Currently, the only method we have to measure whether our new and enhanced systems and services satisfy the needs of stakeholders and users is through our general **stakeholder survey** questions about whether needs are being met.

To improve this measurement, we are planning to develop better methodologies to measure our effectiveness in delivering new capabilities and measuring the benefits delivered. We will also undertake a Portfolio, Programme and Project Management Maturity Model (P3M3) Assessment. This looks at the whole system, not just the process, to assess how we deliver our portfolio, program and project-related activities. The layered approach enables us to assess our current capability and plot a path for improvement, prioritising activities with the biggest impact on performance.

By delivering and implementing new and enhanced systems and services, we increase the capability of our partners and we contribute to the effectiveness of our collective efforts to keep Australia safer from crime.

### PROJECTS DELIVERED DURING 2016–17

	Page
<ul style="list-style-type: none"> <li>Delivered and implemented an enhancement to the <b>National Child Offender System</b> to make it more usable and efficient for police</li> </ul>	139–40
<ul style="list-style-type: none"> <li>Concluded successful pilot program for a new <b>National Criminal Intelligence System</b>.</li> </ul>	143–45

### PROJECTS PROGRESSED DURING 2016–17

<ul style="list-style-type: none"> <li>Progressed development of the new <b>Biometric Identification Services</b> that will incorporate both fingerprint and facial data.</li> </ul>	137–38
<ul style="list-style-type: none"> <li>Progressed technical upgrades to the <b>person of interest and name checking capability</b> that will support the National Police Checking Service and National Police Reference System, and also enable access to policing information for Approved External Agencies.</li> </ul>	131
<ul style="list-style-type: none"> <li>Progressed development of the new <b>Australian Firearms Information Network</b> that will provide police with richer firearm-related data.</li> </ul>	118, 120, 133
<ul style="list-style-type: none"> <li>Progressed development of the new <b>national DNA familial matching</b> capability.</li> </ul>	139
<ul style="list-style-type: none"> <li>Completed planning for the <b>national end user declaration</b> database, which will assist in controlling chemicals that could be used to manufacture illicit drugs.</li> </ul>	135
<ul style="list-style-type: none"> <li>Progressed the interim system that will make <b>domestic violence orders available nationally</b>, and commenced development of the new national fully automated system.</li> </ul>	141–42

## CONNECT (Continued)

### PROJECTS PLANNED DURING 2016–17

	Page
<ul style="list-style-type: none"> <li>Completed the planning for improvements to the <b>Australian Cybercrime Online Reporting Network</b>.</li> </ul>	135–137
<ul style="list-style-type: none"> <li>Completed planning to enhance and move the <b>National Vehicles of Interest System</b> from an ageing mainframe.</li> </ul>	134
<ul style="list-style-type: none"> <li>Completed planning for the next phase of work on the <b>National Criminal Intelligence System</b> including security and connectivity trials.</li> </ul>	144–45
<ul style="list-style-type: none"> <li>Completed planning for the <b>National Policing Information Hub</b> which will eventually replace the National Police Reference System.</li> </ul>	131

### STAKEHOLDER SURVEY PERFORMANCE RESULTS

**65%** of stakeholders surveyed agreed or strongly agreed that new and enhanced ACIC national policing and intelligence systems are being developed and improved to meet their organisation's needs.

**54%** of stakeholders surveyed agreed or strongly agreed that the ACIC systems meet the criminal information and intelligence needs of their organisation.

### PERFORMANCE CRITERIA ANALYSIS

Although this year has seen a significant program of work to plan, progress and deliver new and enhanced systems, the results from our stakeholder survey indicate there is clearly room for improvement in our delivery of these projects.

As we merged to become a new agency, it became apparent that we needed a new approach to the delivery of our information and intelligence systems. Core to this change has been the need to review and overhaul our project management methodology. As a result, we engaged an external consultant to review our project management office, and will be implementing a program to strengthen and mature our delivery capability over the next 18 months.

Analysis of the more detailed survey material indicates that many partners also rely on their own systems for criminal information and intelligence.

## CONNECT (Continued)

## PERFORMANCE CRITERIA

**CONNECT 3:** ACIC is sharing increasing volume, breadth and formats (mediums, platforms) of criminal intelligence and information, police information, and other relevant information.

## RESULT

Overall this performance criteria has been **met.** ✓

## EXPLANATION

We measure our performance against this criteria by measuring the **volume of data** we share and make available to our stakeholders. We also record our development of **new formats for sharing**.

We share our information in three ways:

- providing systems that our stakeholders can search for the information they need
- disseminating intelligence and other information directly to our partners
- providing public, unclassified information and intelligence.

Our reported performance in relation to sharing information and intelligence under the previous *Connect* performance criteria is also relevant when considering overall performance against this criteria (but is not duplicated within this statement). Specifically:

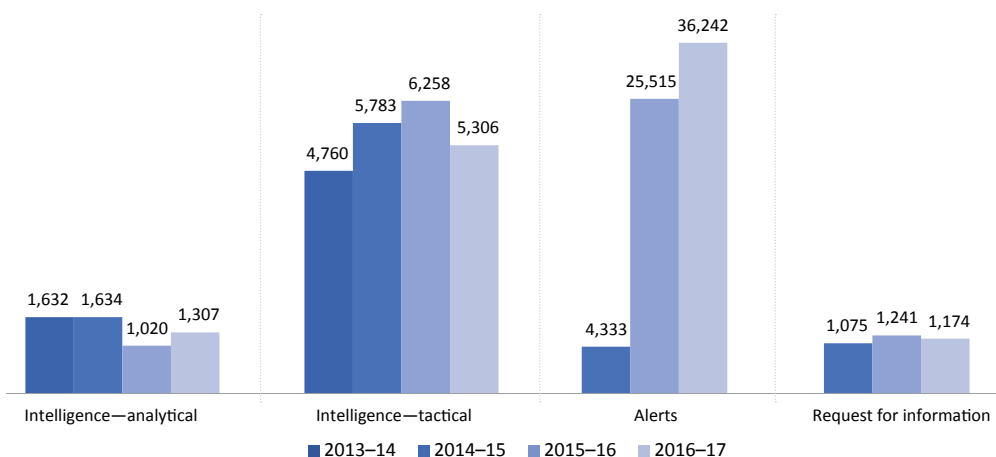
- service provision—the range of agencies we provide services to
- service usage—the number of users and number of system searches.

This criteria is not suitable for measurement through stakeholder surveys.

By sharing information and increasing the information available to our partners—so it can be used by the appropriate police, law enforcement and intelligence agencies—we contribute to the effectiveness of our collective efforts to keep Australia safer from crime.

## INFORMATION AND INTELLIGENCE SHARED

*Number of times criminal information and intelligence is shared with more than 170 national and international law enforcement partners and other stakeholders*



Our new Board-approved **Vestigo Task Force** provides a single, flexible and responsive framework for engaging with overseas partners and Australian agencies regarding information and intelligence on **targeting serious and organised crime**. This framework enables us to **share information** quickly and efficiently between task force members, and the number of international task force member agencies is now triple that of our previous transnational task force, Eligo.

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## CONNECT (Continued)

### VOLUME OF DATA

This measure is new across all systems. Some historical data is not available on some systems. We have aggregated different categories or types of records where appropriate, to calculate the total number of records held by each system.

*System usage—cumulative total of system records\**

SERVICE TYPE	SYSTEM NAME	2012–13	2013–14	2014–15	2015–16	2016–17	NEW
Frontline	NPRS	10,300,000	10,700,000	10,917,140	11,179,307	11,421,474	242,167
	NNI	Not available	Not available	Not available	Not available	9,776,682	Not available
	NFID	Not available	16,000	16,000	17,295	22,320	5,006
	NFLRS	6,300,000	5,200,000	6,999,953	7,772,502	8,064,194	291,692
	ABIN	Not applicable	Not applicable	56,485	62,043	67,367	5,324
	NVOI	Not available	Not available	Not available	Not available	3,465,619	8,326
Biometric and forensic	NAFIS	Not available	6,300,000	6,700,000	7,400,000	8,189,758	Not available
	NCIDD	749,601	837,798	917,947	1,005,322	1,105,007	99,685
	NMPVS	Not applicable	Not applicable	Not applicable	Not available	1,487	1,097
Criminal intelligence	ACID	3,539,834	3,838,024	4,117,146	4,396,917	4,680,347	286,569
	NTS	Not available	Not available	Not available	Not available	15,864	Not available

\*some historical data provided had been rounded at the data source

### PROVISION OF PUBLICLY AVAILABLE INFORMATION

<ul style="list-style-type: none"> <li>Our <i>Illicit Drug Data Report</i> informs Australia’s understanding of the illicit drug threat.</li> </ul>	Page 65
<ul style="list-style-type: none"> <li>The National Wastewater Drug Monitoring Program is a key initiative in establishing an objective evidence base on illicit drug use.</li> </ul>	113, 115
<ul style="list-style-type: none"> <li>Our <i>Illicit Firearms in Australia</i> report is our first unclassified assessment of this illicit market.</li> </ul>	67
<ul style="list-style-type: none"> <li>Our <i>Organised Crime in Australia</i> publication is an unclassified version of our Organised Crime Threat Assessment.</li> </ul>	64

### NEW FORMATS FOR SHARING

Our current suite of intelligence products ranges from strategic intelligence, intelligence reports and briefs, operational analysis, tactical intelligence products, automated alerting and responses to requests for information. During this year, we added new **operational insights** reports to the ACIC product suite. These reports concisely capture key issues stemming from operational activity that reveal a new methodology or vulnerability, or may have a policy implication.

The National Criminal Intelligence System Pilot Program enabled us to start developing the ability to quick search and use previously unshared police data.

### PERFORMANCE CRITERIA ANALYSIS

Our performance this year reflects a similar level to previous years, with steady increases in total records we are making available. Our alerting service continues to grow as new data feeds are added.

In line with our increasing transnational focus, we have expanded our ability to share information with international partners.

## CONNECT (Continued)

## PERFORMANCE CRITERIA

**CONNECT 4:** ACIC builds, coordinates and maintains strong and collaborative relationships with domestic and international partners.

## RESULT

Overall this performance criteria has been **partially met.** ✓

## EXPLANATION

We measure our performance against this criteria by assessing both quantitative and qualitative measures.

We include the range of coordination and collaboration activities, from ongoing **relationship building and activities** at a high-level to specific projects and task forces, at the international, national and state/territory level. We also measure our **collaboration in developing new services**.

We also include feedback from **stakeholder survey** results.

By building and maintaining relationships with our partners and helping to coordinate our collective efforts, we contribute to the national ability to respond to criminal threats and make Australia safer.

## RELATIONSHIP BUILDING AND ACTIVITIES

Page

Much of our work has both a national and international context, reflecting the fact that most serious and organised crime transcends borders.

This year we expanded our **international footprint** to strengthen collaboration, intelligence collection and exchange with countries of strategic importance. This has strengthened key relationships and resulted in joint activity against offshore organised crime threats targeting Australia for the importation of illicit goods, cybercrime, and money laundering by moving illicit funds overseas.

74–80

We deployed a total of **eight** ACIC staff to **six** international locations of strategic importance. This included three short-term deployments and five long-term deployments.

In addition, we continued to be actively involved in a range of activities with our Five Eyes Law Enforcement Group partners. Our contributions include: supporting Five Eyes Law Enforcement Group international workshops on cybercrime, encrypted communication and international controllers (money laundering); hosting a Five Eyes Law Enforcement Group meeting in Sydney to share intelligence on the operations of Mossack Fonseca (Panama Papers) and similar companies; presenting joint papers with the Five Eyes Law Enforcement Group Cyber Crime Working Group about cash-out (monetising the proceeds of criminal activity) and virtual currency at the International Cybercrime Operations Summit; and working with the Australian Federal Police to prepare an actionable strategy ahead of the next working group meeting.

**National collaborative efforts** include our:

- contribution to the **Serious Financial Crime Taskforce**, led by the Australian Federal Police—producing risk assessments to help prioritise work and developing targets and generating leads through our intelligence 91–92
- coordination and leadership of the **Eligo 2 National Task Force**—identifying opportunities to respond to high risk money laundering 88–91
- contribution to the **Criminal Asset Confiscation Taskforce**—helping to generate and prioritise organised crime targets for proceeds of crime action 91
- contributing to **National Task Force Morpheus**—informing and supporting operational priorities and strategies for dealing with outlaw motor cycle gang (OMCG) investigations, targets and threats at a national level 98–99
- contributing to the **Australian Cyber Security Centre**—helping to build a stronger picture of the cybercrime landscape and working with partners to assess and prioritise threats impacting Australia 121–25
- contributing to the **National Ice Taskforce** and National Ice Action Strategy—supporting ongoing implementation, and informing responses through improved data and research. 113, 135



## CONNECT (Continued)

<p>We also participated in <b>state-based joint responses</b> through the work of the following multi-agency joint task forces as well as a range of other projects:</p> <ul style="list-style-type: none"> <li>▪ New South Wales Joint Organised Crime Group</li> <li>▪ Queensland Joint Organised Crime Taskforce</li> <li>▪ Victorian Joint Organised Crime Task Force</li> <li>▪ Tasmanian Serious Organised Crime Unit</li> <li>▪ Western Australia Joint Organised Crime Task Force.</li> </ul>	<p>Page 103–05</p>
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### COLLABORATION IN DEVELOPING NEW SERVICES

<p>When we are planning or developing new national intelligence and information systems and services, we collaborate with our partners and stakeholders by including representatives on our project boards and seeking advice from expert working groups.</p> <p>We report progress on our projects to our Board and supporting capability committees, who represent a broad cross section of our key stakeholders in relation to our intelligence and information services.</p>	<p>182–85</p>
<p>Our <b>National Criminal Intelligence System</b> Pilot Program involved 20 Commonwealth, state, territory, and international law enforcement, law compliance and regulatory agencies. Users included intelligence practitioners, investigators, managers and frontline law enforcement personnel.</p>	<p>144–46</p>

### STAKEHOLDER SURVEY RESULTS

**54%** of stakeholders surveyed agreed or strongly agreed that the ACIC collaborates with their organisation as much as we should.

### OTHER STAKEHOLDER SURVEY RESULTS THAT AUGMENT THE VIEW OF PERFORMANCE

**71%** of stakeholders surveyed agreed or strongly agreed that ACIC investigations collaborate with their organisation in the effective disruption of serious and organised criminals.

### PERFORMANCE CRITERIA ANALYSIS

We have demonstrated a broad range of collaboration with domestic and international law enforcement partners, and other stakeholders. During this year we have improved our international collaboration to support the shift in our agency’s focus to transnational and offshore vulnerabilities and threats impacting Australia. The broader stakeholder engagement survey results indicate that our stakeholders assess we are performing well in our international role.

Our stakeholder survey results on this performance criteria indicate that we need a stronger focus on stakeholder engagement. Analysis of the research indicates this is particularly the case regarding our communication about delivery of information system projects.

## DISCOVER

We build the picture of crime impacting Australia by: collecting information, and combining information to discover new areas of national focus.

### PERFORMANCE CRITERIA

**DISCOVER 1:** The picture of crime impacting Australia is improving because ACIC is discovering crime threats, vulnerabilities, patterns, methods and trends previously unknown.

### RESULT

Overall this performance criteria has been **met.** ✓

### EXPLANATION

We measure our performance against this criteria through **qualitative achievements** demonstrating our discovery of previously unknown threats to Australia. We also measure our **discovery of new criminal targets**.

Our special **coercive powers** are used to discover new insights into serious and organised crime in Australia. While we cannot report directly on the outcomes from these, we provide comparative statistics on the use of these powers and their contributions to intelligence products as an output measure.

We provide our discoveries to our partners to assist them in their activities and, as such, we also measure our performance through results to specific questions in our **stakeholder survey**.

By discovering and sharing intelligence on previously unknown threats we are contributing to national understanding so that we and our partners can better respond to crime impacting Australia and make Australia safer.

### QUALITATIVE ACHIEVEMENTS

	Page
• The <b>Australian Priority Organisation Target</b> list identified top tier offshore targets impacting Australia.	101
• Identified a <b>Russian-based cybercriminal</b> providing services to other cybercriminals targeting Australia.	119–20
• Discovered <b>new techniques</b> used to manufacture several <b>illicit drugs</b> , and chemicals and equipment used for illicit purposes.	112–114
• Discovered a <b>unique drug manufacturing process</b> for a controlled precursor chemical.	112–114
• Identified <b>vulnerabilities</b> in the Australian charity sector that could be exploited for the purposes of <b>terrorist financing</b> .	109–110
• Identified infiltration by <b>serious organised crime groups</b> into the <b>labour hire industry</b> in Western Australia.	123–124
• Identified a suspected criminal syndicate <b>importing cocaine</b> from California via the post.	105
• Identified four possible <b>cybercrime offenders</b> for further investigation.	119–120
• Developed targeting opportunities to prevent the <b>diversion of firearms</b> to serious and organised crime entities.	117–118
• Identified <b>12 boiler rooms</b> and collected intelligence regarding people offshore involved in boiler room activities.	123–24

### DISCOVERY OF NEW CRIMINAL TARGETS

*Previously unknown money laundering<sup>8</sup> and drug importation entities identified*

2013–14	2014–15	2015–16	2016–17
95	156	103	125

8. The category of previously unknown targets will be expanded next financial year to include new targets discovered across all types of serious and organised crime.

## DISCOVER (Continued)

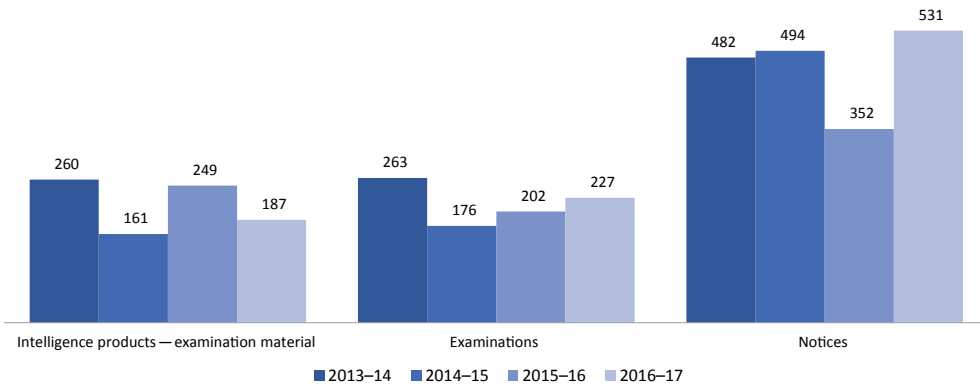
### *New targets added to the National Criminal Target List*

	2013–14	2014–15	2015–16	2016–17
New NCTL targets—added by ACIC	57	29	45	24
New NCTL targets—added by other agencies	119	61	65	78

## COERCIVE POWERS

Our coercive powers were used in special operations and special investigations to discover new information about serious and organised crime, by conducting examinations and issuing notices to produce documents or things.

### *Intelligence products containing discoveries and understanding gained through the use of coercive powers were then shared with partners*



## STAKEHOLDER SURVEY RESULTS

**82%** of stakeholders surveyed agreed or strongly agreed that the ACIC provides information and intelligence on changes in the crime environment (such as new crime threats, methods, trends and patterns).

### PERFORMANCE CRITERIA ANALYSIS

The types and levels of new discoveries continued at similar levels to recent years, and focused on key priority crime themes.

The deliberate agency shift to focus on offshore transnational targets impacting Australia, building on our previous work on offshore money laundering, is reflected in the increase in the number of previously unknown targets discovered this year.

Similarly, the development of the new Australian Priority Organisation Target list—which focuses specifically on offshore targets—had an impact on the number of new targets we added to the National Criminal Target List, which reduced this year. Overall, the addition of new targets has been supported this year, by harmonising the ACIC and Australian Federal Police (AFP) threat systems to enable AFP targets to more easily be included in the National Criminal Target List.

Our stakeholder survey results also support a positive assessment of our performance against this criteria.

## UNDERSTAND

We improve our understanding of the picture of crime impacting Australia by undertaking analysis to guide a better response.

### PERFORMANCE CRITERIA

**UNDERSTAND 1:** The understanding of the picture of crime impacting Australia is increasingly more comprehensive, integrated and relevant.

### RESULT

Overall this performance criteria has been **met.** ✓

### EXPLANATION

We measure our performance against this criteria by assessing both qualitative and quantitative achievements, including our:

- delivery of intelligence products that provide a comprehensive and integrated **national picture of significant serious and organised crime threats** impacting Australia
- production and sharing of other intelligence that increases understanding of relevant crime themes, including **financial crime, gangs, illicit drugs, illicit firearms, cybercrime** and **other criminal threats**.

We also measure our performance through specific questions in our **stakeholder survey** results.

By building understanding in this way, we improve the national ability of our partners and ourselves to respond to criminal threats and make Australia safer.

### QUALITATIVE ACHIEVEMENTS

#### NATIONAL PICTURE OF SIGNIFICANT SERIOUS AND ORGANISED CRIME THREATS

We produced **flagship** products including the:

- unclassified **Organised Crime in Australia 2017** (released in early 2017–18)
- classified **National Criminal Target Report 2017**.

We maintained the **National Target System** and **National Criminal Target List** and provided **automated alerting** to our partners on the activities of highest risk criminals.

We also produced intelligence improving understanding of their methodologies, including serious organised crime use of self-storage facilities, criminal use of encrypted communication and mobile phone technology, the implications of criminal use of remote piloted aircraft (drones) in Australia, and exploitation of vulnerabilities in the border supply chain. In addition, we produced intelligence on the level of threat posed to the Australian community by organised crime groups of different ethnic backgrounds operating from or through mainland China, and on illicit imports enabled by the exploitation of company registration processes and commercial property lease arrangements.

#### NATIONAL PICTURE OF FINANCIAL CRIME

We provided a comprehensive understanding of financial crime by producing a risk assessment of financial crime to Australia.

We produced specific intelligence on trade-based money laundering in Australia and reported on risks to Australian business of offsetting foreign investment and transactions. We also improved understanding of offshore financial centres for serious and organised crime, and identified vulnerabilities in Australian corporate directorships. In addition, we produced insights into money laundering methods and key targets, from last year's arrest of international money launderer, Altaf Khanani. We also improved understanding of criminal exploitation of the financial sector, use of offshore corporate structures to conceal criminal wealth, transnational money laundering activities, and social security fraud.

Page

64

64–65

147–48

68–69

86

68–69

## UNDERSTAND (Continued)

### NATIONAL PICTURE OF GANGS

	Page
We produced a strategic analysis of the response by OMCGs to <b>anti-gang legislation</b> nationally.	69
We produced further intelligence about <b>OMCG criminal activities</b> including illicit drug transportation between Australian states, extortion activities in the heavy haulage industry, drug importation and distribution, corruption and counter-intelligence activities, links to the sex industry, and visa migration fraud.	96
We produced intelligence to increase understanding of <b>how OMCGs are organised and operate</b> , specifically the establishment of chapters nationally, leadership, pathways for joining, domestic and international expansion, activities at the border, and state/territory criminal footprints.	97
We also produced intelligence on <b>OMCG links to legitimate businesses</b> and money laundering through legitimate businesses including the tattoo industry, and relationships with legal facilitators involving the supply of illicit drugs in lieu of payment for services.	96

### NATIONAL PICTURE OF ILLICIT DRUGS

We produced our <b>flagship Illicit Drug Data Report 2015–16</b> , our annual statistical report summarising arrest, detection, seizure, purity, profiling and price information, sourced from across law enforcement nationally.	65
We captured comprehensive and reliable data on drug consumption and usage patterns across the country through the <b>National Wastewater Drug Monitoring Report</b> that provides a measure of demand for a range of licit and illicit drugs.	115
We produced intelligence on <b>methylamphetamine</b> trafficking and manufacture in regional areas of Australia, <b>cocaine</b> importation methods used by transnational groups, the <b>pharmaceutical opioids</b> market, and the renewal in the <b>MDMA</b> market. We also produced intelligence on drug importation methodologies and specific drug market pricing.	112–14

### NATIONAL PICTURE OF ILLICIT FIREARMS

We improved understanding of illicit firearms by producing an unclassified assessment of the market in our <b>Illicit Firearms in Australia</b> report.	67
We also produced intelligence on the importation and possession of firearms and the diversion of firearms to serious and organised crime entities.	117–18

### NATIONAL PICTURE OF CYBERCRIME

We enhanced national understanding of the threat and vulnerabilities posed by <b>cybercrime threats</b> to Australia.	
We wrote the cybercrime components of the <b>2016 Australian Cyber Security Centre Threat Report</b> . We also produced intelligence on the Crysis ransomware affecting Australia and New Zealand, and improved understanding of the threat posed by the WanaCry and Petya ransomware campaigns by analysing reports to the Australian Cybercrime Online Reporting Network, and produced intelligence that enhanced understanding of new cybercrime methodologies.	118–19, 121

### OTHER CRIMINAL THREATS TO AUSTRALIA

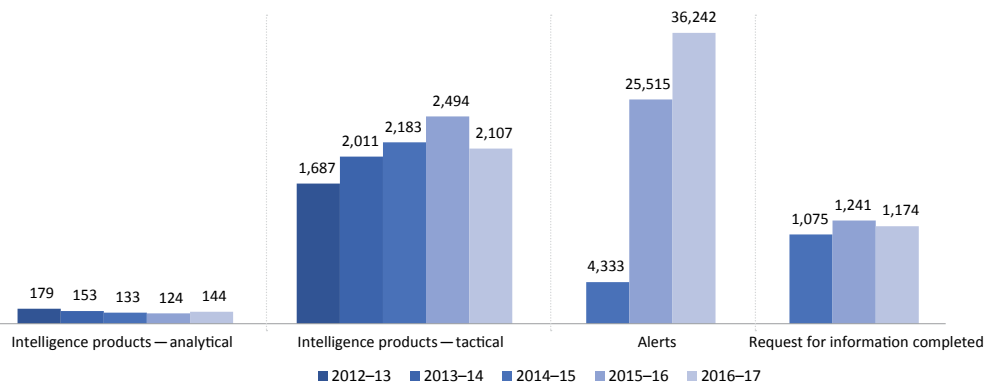
We provided specific targeted intelligence that supported or advanced investigations about <b>foreign fighters</b> and <b>financing of terrorism</b> .	108–10
We also provided an assessment on serious organised crime involvement in <b>identity crime</b> and produced intelligence on serious and organised crime involvement in public sector corruption.	68, 87
We improved understanding of <b>offshore gambling platforms</b> and how these platforms are used by serious and organised criminals in Australia, with associated insights into vulnerabilities and risks to Australian sport, revenue and integrity.	118

## UNDERSTAND (Continued)

### QUANTITATIVE ACHIEVEMENTS

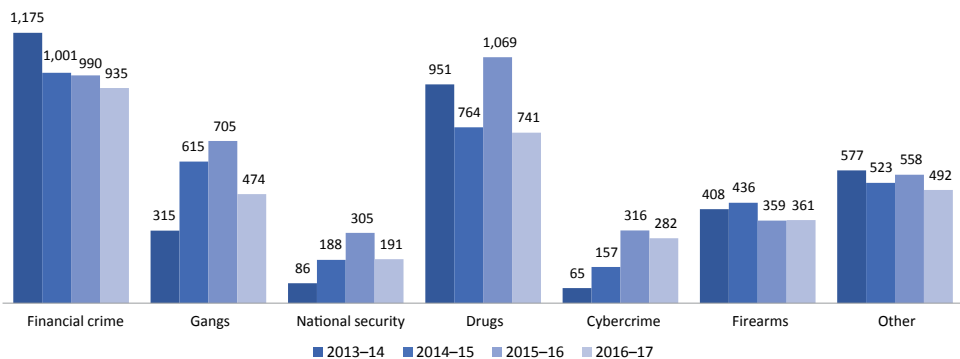
We collected criminal intelligence and combined it with information and intelligence from partner agencies to create and share a comprehensive national picture of criminality in Australia.

#### Number of products produced



Note: Alerting service commenced in December 2014

#### Number of products that focused on priorities



Note: The graph above displays the number of intelligence products that relate to a National Criminal Intelligence Priority (see page 69). As one intelligence product will often relate to multiple priority categories, the figures displayed will not match the overall amount of intelligence products we produced.

### STAKEHOLDER SURVEY RESULTS

**75%**

of stakeholders surveyed agreed or strongly agreed that ACIC intelligence products provide a comprehensive and relevant understanding of crime impacting Australia.

### PERFORMANCE CRITERIA ANALYSIS

Our results support an assessment of strong consistent performance against this criteria, in line with previous levels of performance, including the planned production of our flagship products. The results also show strong levels of output across crime types impacting Australia and identified as priorities by our Board. This result is supported by our stakeholder survey results in relation to this area of performance with only 8% of respondents disagreeing or strongly disagreeing that our products provide a comprehensive and relevant understanding of crime impacting Australia.

## UNDERSTAND (Continued)

### PERFORMANCE CRITERIA

**UNDERSTAND 2:** The understanding of the picture of crime impacting Australia is increasingly used to guide strategies and responses to crime.

### RESULT

Overall this performance criteria has been **met.** ✓

### EXPLANATION

This is a new type of measure for our agency as we seek to provide better performance reporting on our value and influence in assisting in guiding law enforcement and other strategies to deal with the threats posed by crime impacting Australia.

We measure our performance against this criteria through **qualitative achievements** where our intelligence has guided strategies and responses by our partners to crime in Australia. We will be building our capability to better collect further instances and feedback from partners on how our intelligence and other services are used.

We also measure our stakeholders’ views of our performance against this criteria through specific questions in our **stakeholder survey**.

By building understanding that is used to guide strategies and responses to crime by our partners, we contribute to improving the national ability of our partners and ourselves to respond to criminal threats and make Australia safer.

### QUALITATIVE ACHIEVEMENTS

During 2016–17, we developed the **Australian Priority Organisation Target** list, which details the top tier international and transnational targets that play a significant role within our serious and organised crime environment. We continually assess the threat from these priority targets and adjust the list as targets are assessed and disrupted. This initiative is designed to guide how we and our partners respond, both domestically and internationally, to these threats.

We continued our maintenance of the **National Criminal Target List**—a contemporary list that enables a clear national picture of the threat and risk associated with Australia’s nationally significant serious and organised crime targets, noting that we are reviewing how this can be adjusted to best support a national response into the future. We also maintained and updated the National Gangs List, which is a secure, validated and nationally agreed list of OMCG members.

We provided information to the Australian Government’s **Black Economy Taskforce** about criminal preference for the \$50 banknote, rather than the \$100, because of its ubiquitous use in legitimate transactions, along with other intelligence in relation to cleaning and intermingling of the proceeds of crime into the legitimate financial system.

We influenced the shape of national responses to the demand for **illicit drugs** in Australia and the harms to the community by analysing and releasing initial **wastewater drug monitoring program** results.

We supported implementation of the National Organised Crime Response Plan 2015–18, recommendations of the National Ice Action Strategy, and **whole-of-government responses** to drug problems including the National Drug Strategy.

Page

101

147–48

87

115

70

## UNDERSTAND (Continued)

### QUALITATIVE ACHIEVEMENTS

	Page
Our <i>Financial Crime Risk Assessment</i> , released in April 2017, provides an evidence base to prioritise the work of the Commonwealth Serious Financial Crime Taskforce.	86, 91
We produced intelligence on <b>OMCGs</b> , including profiles, to inform policymakers.	97
We assisted and informed efforts to strengthen <b>Australia's anti-money laundering/counter-terrorism financing</b> regime.	70, 88
We informed inter-departmental committees on <b>drug issues</b> . We also provided information on illicit drug markets and identified importers and traffickers, drug 'cooks', and modus operandi of the more sophisticated networks to assist partners with operational decisions and responses.	70, 111–16

### STAKEHOLDER SURVEY RESULTS

**80%** of stakeholders surveyed agreed or strongly agreed that ACIC intelligence and information inform policy/legal response<sup>9</sup> to criminal activity threatening Australia.

**63%** of stakeholders surveyed agreed or strongly agreed that ACIC intelligence products on crime impacting Australia influence their approach to tackling crime.

### PERFORMANCE CRITERIA ANALYSIS

Our performance in providing intelligence across a wide range of crime themes have informed and guided strategies at a similar level to previous years, and our stakeholder survey results indicate satisfaction with our level of performance against this criteria.

9. This survey question is used for both our criteria in relation to guiding strategies and preventative responses as policy and legal strategies are largely designed to be preventative.



## RESPOND

We improve the national ability to prevent and disrupt crime and protect the community.

### PERFORMANCE CRITERIA

**RESPOND 1:** Prevent—The ACIC better informs and influences the hardening of the environment against crime.

### RESULT

Overall this performance criteria has been **met.** ✓

### EXPLANATION

We measure our performance against this criteria through **qualitative achievements** in informing preventing and hardening of the environment against crime and instances where we have contributed to preventing crime.

As our intelligence is provided to our partners to assist them in their activities, we also measure our performance through results to specific questions in our **stakeholder survey**.

By informing and influencing responses to harden the environment against crime, we contribute to the shared efforts to prevent crime impacting Australia and make Australia safer.

### QUALITATIVE ACHIEVEMENTS

	Page
We contributed to a series of industry consultation papers that formed part of a statutory review into the <b>regulation of professionals</b> under the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> .	88
We made submissions to the South Australian Parliament relating to the <b>South Australian Statutes Amendment (Decriminalisation of Sex Work) Bill 2015</b> .	123
We profiled the set up and operation of <b>boiler rooms</b> in Australia, including the <b>manipulation of travel/working visas</b> , to inform operational responses and support preventative measures.	123
We provided information to enable the development of prevention activities regarding <b>exploitation of Australia's migration system</b> in relation to migration agents, electronic travel arrangements and market manipulation of the labour hire industry.	123–26
We supported implementation of nationally consistent controls over <b>precursor chemicals</b> , and an agile mechanism to include additional chemicals of concern in schedules of controlled chemicals.	113
Our joint monitoring of <b>OMCG</b> travel movements, with both national and international partners, has resulted in international OMCG members being refused entry to Australia for providing false and misleading information on incoming passenger cards (Project Legion).	98
We assessed licenses of <b>firearm holders</b> , including people who have failed to declare criminal convictions.	120
This year we also began a consultation program to prevent regeneration of the heroin market in Australia from the <b>non-medical use of pharmaceutical opioids</b> as has occurred in the United States.	113

### STAKEHOLDER SURVEY RESULTS

**80%** of stakeholders surveyed agreed or strongly agreed that ACIC intelligence and information inform policy/legal responses to criminal activity threatening Australia.

### PERFORMANCE CRITERIA ANALYSIS

Our intelligence across a wide range of crime themes has informed and influenced activities to harden the environment against serious and organised criminal activities at similar levels to previous years, and our stakeholder survey results indicate satisfaction with our performance.

## RESPOND (Continued)

### PERFORMANCE CRITERIA

**RESPOND 2:** Disrupt—ACIC is conducting investigations and intelligence operations, and producing intelligence that is effective in disrupting, disabling and dismantling serious and organised crime.

### RESULT

Overall this performance criteria has been **met.** ✓

### EXPLANATION

This performance criteria directly relates to our role working with our partners to disrupt **serious and organised crime**, distinct from our broader general role supporting responses to all types of crime (such as broader volume crime and victim crime).

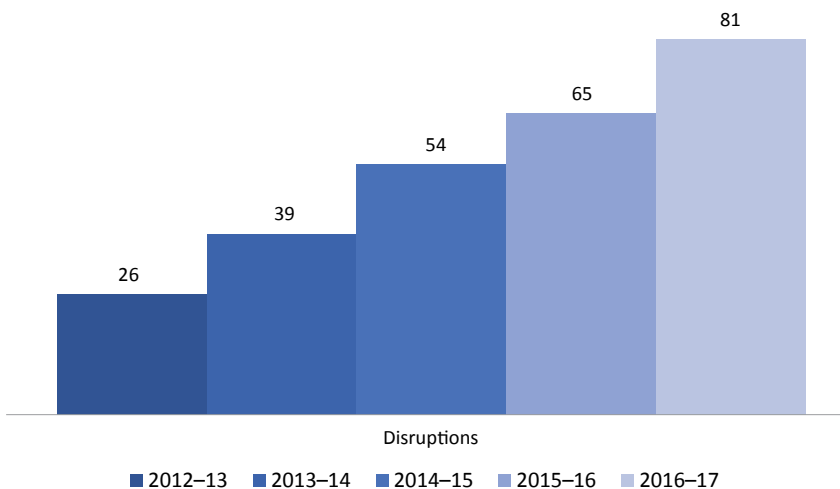
Through our investigations and intelligence operations, we produce and share a wide range of intelligence and information regarding serious and organised criminals. As this contributes to our partners' work against serious and organised crime, we cannot confidently measure all the impacts of these products and the disruptive outcomes that we contribute to. However, when we work closely and collaboratively with our partners or when we are informed of the direct results our intelligence has enabled, we can measure our performance against this criteria through comparative statistics of entity disrupted, **arrests and convictions**, **seizures** of drugs, cash and also **proceeds of crime** restraints, tax assessments and **recovery of assets**.

We also measure our stakeholders' views of our performance against this criteria through responses to specific questions in our **stakeholder survey**.

By working with our partners to effectively disrupt serious and organised crime, we are making Australia safer.

### DISRUPTIONS

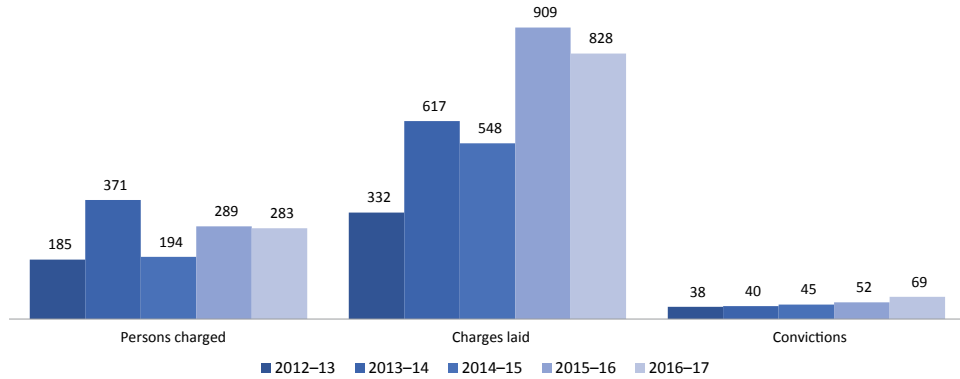
*Number of criminal entities disrupted*



## RESPOND (Continued)

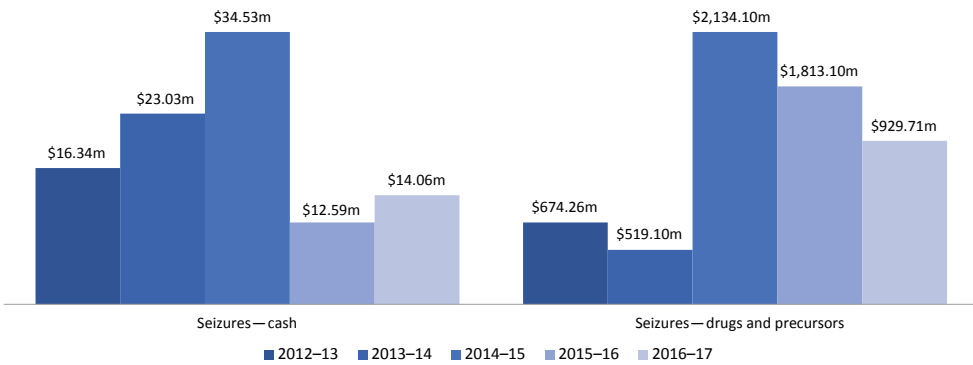
### ARRESTS AND CONVICTIONS

*Number of people charged, charges laid, and subsequent convictions*



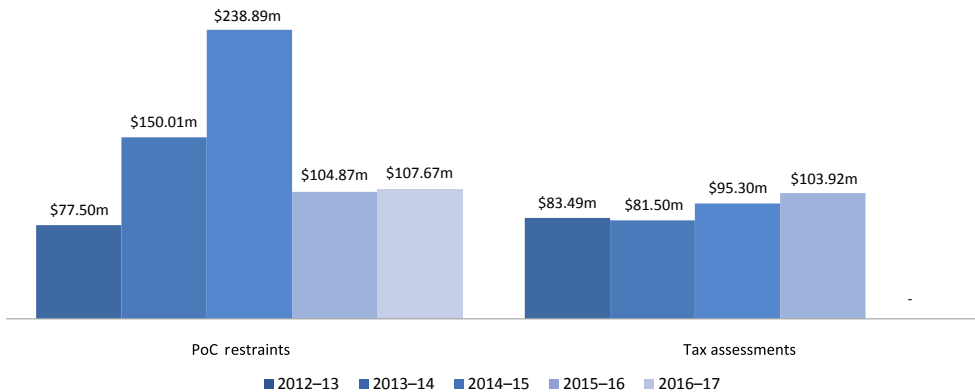
### SEIZURES

*Total monetary value of cash, illicit drug and precursor chemical seizures*



### PROCEEDS OF CRIME AND TAX ASSESSMENTS

*The total monetary value of assets restrained considered to be proceeds of crime (PoC), and tax assessments issued by the Australian Taxation Office, that we directly enabled or supported*



Note: At the time of preparation of this annual report, tax assessment figures were not available from the Australian Taxation Office. The 2016–17 figures will be reported in next year’s annual report.

## RESPOND (Continued)

### SUPPORTING THE CRIMINAL ASSETS CONFISCATION TASKFORCE

*Number of target referrals made to the Criminal Assets Confiscation Taskforce (CACT), and its estimated monetary value of offending*

REFERRALS TO CACT	2013-14	2014-15	2015-16	2016-17
Number of referrals	24	22	19	14
Number of entities	130	88	132	140
Value of offending	\$166.49m	\$80.81m	\$56.01m	\$137.30m

Note: During 2017-18 we will review our methods of reporting our performance in relation to proceeds of crime and tax assessments.

### STAKEHOLDER SURVEY RESULTS

**71%** of stakeholders surveyed agreed or strongly agreed that ACIC investigations collaborate with their organisation in the effective disruption of serious and organised criminals.

### OTHER STAKEHOLDER SURVEY RESULTS THAT AUGMENT THE VIEW OF PERFORMANCE

**84%** of stakeholders surveyed said that ACIC investigations were of value or great value.

### PERFORMANCE CRITERIA ANALYSIS

There can be many influences on the trends in these results, including changing priorities, funding cycles, staffing numbers and operational cycles that do not always lead to disruptive results within a given reporting year. It is usual to see results increase and decrease from year to year, particularly related to seizures, where a large seizure can spike a year's result. The longer overall trend is more appropriate to consider for assessment of yearly performance.

Overall, our performance measures of disruptions, arrests and convictions, and referrals to the CACT are all in line with, or above, recent years.

We noted last year that we had changed our operational focus to transnational criminals impacting Australia and this had affected our onshore cash and drug seizure results, and this is reflected again this year. The current results represent a significant outcome for our agency, noting that the large seizures during the two previous years were extraordinary.

Due to our transnational focus, we will plan a new approach to measuring disruptions to ensure all our performance is effectively captured and that our measurement is standardised, objective and scalable.

## RESPOND (Continued)

### PERFORMANCE CRITERIA

**RESPOND 3:** Protect—ACIC partners are better informed and enabled to undertake policing and community safeguarding activities through access to national information systems and services.

### RESULT

Overall this performance criteria has been **met.** ✓

### EXPLANATION

This performance criteria relates to our agency's role in supporting our partners, particularly police, the wide range of roles they undertake in protecting the community against all types of crime and, in a range of circumstances, including national disasters. This is distinct from the previous 'Respond' criteria that relates specifically to responding to serious and organised crime.

It is not possible for our agency to measure the outcomes our partners achieve that contribute to our shared purpose of keeping Australia safer through the use of the systems and services we provide, as this information is not systematically collected by our partners and/or not accessible to us. As a result, our measurement under this performance criteria focuses on our performance in better informing and enabling our partners through access to our national information systems and services.

To measure our performance we must rely on a similar range of measures that we have provided to demonstrate how we 'Connect' through these national information systems and services.

We measure our performance with the following measures (as reported on pages 36 to 37) across our different systems by assessing:

- **system availability**—percentage of time systems were available
- **service provision**—range of agencies we provide services to
- **service usage**—number of users and number of system searches
- **service breadth**—volume of data shared and made available.

In addition we measure data matches through use of our **frontline, biometric and forensic services.**

We also measure our stakeholders' views of our performance against this criteria through responses to specific questions in our **stakeholder survey.**

### SERVICES PROVIDED

Our frontline services enable police agencies to share essential policing information with each other in relation to people, vehicles, firearms and ballistics. This can assist them to undertake a broad range of community policing and criminal investigations.

We also help police solve crimes through our biometric services including fingerprints and DNA systems.

In addition, we provide services that assist police with identifying missing persons, human remains and disaster victims.

Our protection services also assist police with managing child offenders and identify child exploitation images.

We also provide the police history checking service and cybercrime reporting.

Page  
130–35

## RESPOND (Continued)

### MATCHES

We do not currently have insight/data into the discoveries made by our partners when using the services we provide. However, with some of our services, we can capture when there is a positive data match.

#### *System usage—positive data matches*

SERVICE TYPE	SYSTEM NAME	2012–13	2013–14	2014–15	2015–16	2016–17
Frontline	ABIN (Ballistics)	Not applicable	Not applicable	76	88	54
Biometric and forensic	NAFIS (Fingerprints)	58,693	60,398	63,971	83,940	90,729
	NCIDD (DNA)	28,270	140,498	56,685	46,829	88,493

### STAKEHOLDER SURVEY RESULTS

**90%**

of stakeholders surveyed from organisations that used our services and systems agreed or strongly agreed that our information and intelligence services were valuable to the work of their organisation (all other respondents were neutral).

### OTHER STAKEHOLDER SURVEY RESULTS THAT AUGMENT THE VIEW OF PERFORMANCE

**95%**

of all stakeholders surveyed indicated that our information and intelligence services and systems were of value, or of great value, to them or their business area.

**64%**

of stakeholders surveyed agreed or strongly agreed that our national policing and intelligence systems enabled them to do their jobs more effectively.

In addition, our stakeholder survey research indicated that our law enforcement partners repeatedly emphasised how critical ACIC systems were to their policing roles. These systems are seen by our police partners as critical for safe and effective policing and are heavily relied on by police at all levels.

### PERFORMANCE CRITERIA ANALYSIS

Our performance indicates that we have informed and enabled our partners through our delivery of national information systems and services, and this is supported by our stakeholder survey results.

### OVERALL ANALYSIS

In this first year of our operation as the ACIC, we have continued a consistent level of performance across our core functions, as reflected in the majority of our performance criteria.

We have identified some areas for improvement in our project delivery capability and our related collaboration and engagement activities with stakeholders.

Our stakeholder survey also asked respondents to rate our general performance on a scale of 1 to 10, and we achieved an average of **6.8**.

We consider that, overall, this reflects a solid level of performance for our first year as an agency, and sets a benchmark which we will use to inform where we can improve our performance in the coming years.

# SNAPSHOT OF INTELLIGENCE PRODUCTS AND ADVICE IN 2016–17

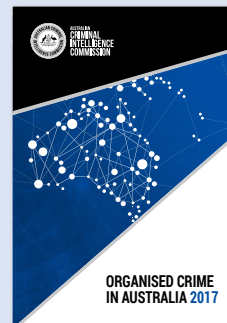
3 flagship products produced, adding to the picture of criminality in Australia



**Illicit Drug Data Report 2015–16**



**National Criminal Target Report 2017**



**Organised Crime in Australia 2017**  
(released in early 2017–18)



**2,251 intelligence products** shared with 174 agencies (excluding automated alerts)



**36,242 automated alerts** on significant criminal targets



**10 strategic assessments** of crime types, markets or criminal issues



**13 strategic insights** products on serious and organised crime threats, groups, vulnerabilities and markets



Evidence provided to **parliamentary inquiries** into topics including ice and taxpayer engagement with the tax system



**75%** of stakeholders surveyed agreed our intelligence products provide a comprehensive and relevant **understanding of crime impacting Australia**



## 2.2 STRATEGIC INTELLIGENCE

### AIM: BUILD PICTURE OF CRIME IMPACTING AUSTRALIA

Having a detailed picture of serious and organised criminal activities, methods and emerging threats enables a more effective national response to disrupt crime and make it harder for criminals to operate in Australia. We provide our partners with the most comprehensive strategic picture available of serious and organised criminal activities in Australia. We build up a national picture by fusing and analysing intelligence we gather from our investigations and intelligence operations, and intelligence feeds from partner agencies.

### RESULT: MORE INFORMED RESPONSES TO CRIME

We achieve our aim by producing intelligence products, advice and recommendations that enhance national understanding of the criminal environment and inform collaborative responses—both immediate and longer-term, including hardening the environment against such crime. Much of our intelligence is classified and shared only with partner agencies. However, we share intelligence with private industry as appropriate and release unclassified information to the public to help prevent or harden the environment against serious and organised crime threats.



# FLAGSHIP PRODUCTS

Our flagship publications are collectively called the *Picture of Criminality in Australia*. They include both classified and public information assessing current and emerging serious and organised crime threats, details on known targets and the threat and risk they pose, a statistical overview and analysis of illicit drug markets over the past 12 months, and a forecast of future organised crime trends. We share our classified reports with partners and also produce public reports. We will be reviewing delivery of these publications over the coming year.

## ORGANISED CRIME IN AUSTRALIA

During the year we prepared the *Organised Crime in Australia 2017* report, which was released soon after the end of the reporting year, on 24 August 2017.

This report is an unclassified version of our classified risk assessment, the *Organised Crime Threat Assessment*. It highlights the widespread impact of organised crime on everyday Australians—informing government, industry, the private sector and the community about key crime markets and enablers, and how they pose a threat to the Australian community. Sharing this information is one of the ways we strengthen Australia’s ability to disrupt criminal networks and harden the environment against serious and organised crime.

## NATIONAL CRIMINAL TARGET REPORT

On 21 June 2017 the ACIC Board endorsed the release of the first edition of the biennial classified *National Criminal Target Report* since the establishment of the ACIC.

While the *Organised Crime Threat Assessment* looks at the ‘what’ of organised crime, the *National Criminal Target Report* looks at the ‘who’. It informs both operational law enforcement responses and strategic measures to combat serious and organised crime. The involvement of a wide range of Commonwealth, state and territory agencies ensures the report is informed from a national perspective and provides a holistic understanding of organised crime groups, threat characteristics and criminal activities. This report highlights key opportunities to enhance national law enforcement efforts in identifying, targeting and responding to the highest risk serious and organised crime groups.

The report combines:

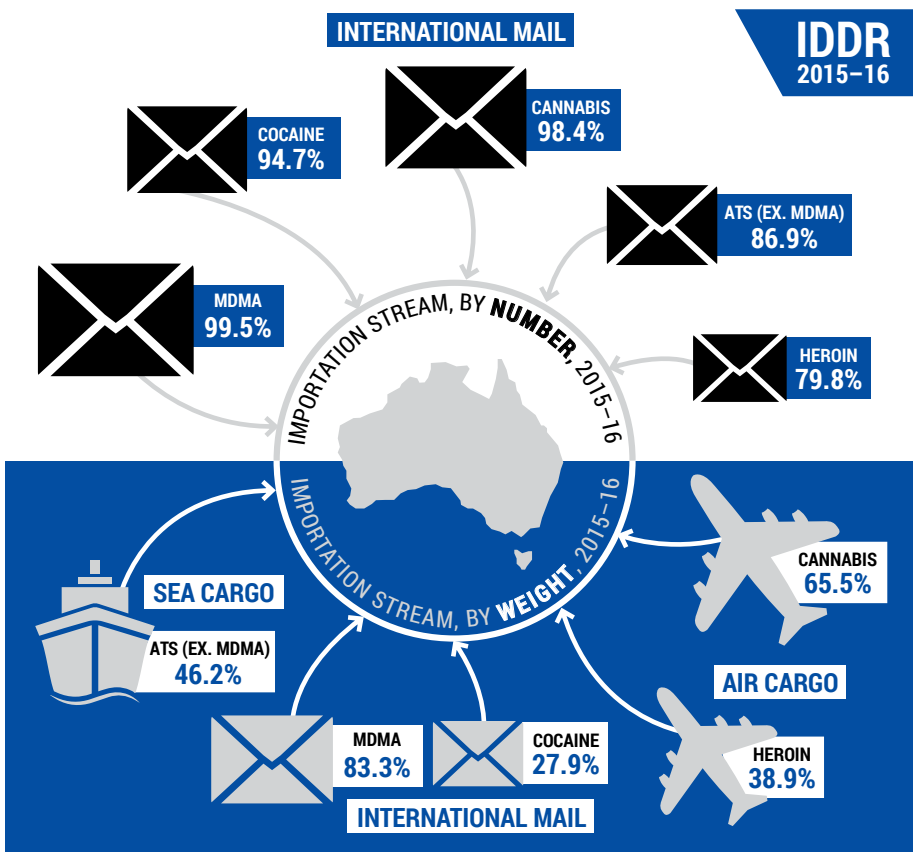
- analysis of national and regional data from the National Criminal Target List (see page 147) and National Gangs List (see page 148)
- regional reports incorporating contributions by Joint Analyst Groups and law enforcement agencies in each jurisdiction

- information and intelligence derived from law enforcement task forces, operations and investigations
- consultation through the Serious Organised Crime Coordination Committee and the National Criminal Intelligence Capability Committee (see page 184).

## ILLICIT DRUG DATA REPORT

We released our 14<sup>th</sup> edition of the *Illicit Drug Data Report* on 30 June 2017.

This annual statistical report informs Australia's understanding of, and collective response to, the illicit drug threat. It is the only report of its type in Australia and provides an important evidence base to assist decision-makers to develop strategies to address the threat posed by illicit drugs. This public report covers the previous financial year's data and includes arrest, detection, seizure, purity, profiling and price information, compiled from data from state and territory police, the Australian Federal Police, the Department of Immigration and Border Protection, forensic laboratories and research centres. The 2015–16 report also includes an overview of drug-related initiatives provided by the Department of Health.





Paul Jevtovic APM, former AUSTRAC CEO, described the *Illicit Drug Data Report 2015–16* as a 'world class product'.



Findings of the *Illicit Drug Data Report 2015–16* include:

- a record 115,421 national illicit drug seizures and 154,538 arrests—this included a record number of national seizures and arrests for amphetamine-type stimulants (ATS), cannabis and cocaine
- while the total weight of illicit drugs seized nationally in 2015–16 decreased to 21 tonnes, compared to 23.5 tonnes in 2014–15, it is the fourth highest weight on record
- importation methods included:
  - international mail—which accounted for the greatest proportion of the number of illicit drug detections at the border and the weight of 3,4-methylenedioxymethamphetamine (MDMA) and cocaine detected
  - air cargo—which accounted for the greatest proportion of the weight of cannabis and heroin detected at the border
  - sea cargo—which accounted for the greatest proportion of the weight of ATS (excluding MDMA) detected at the border
- the number of clandestine laboratories detected nationally decreased from 667 to 575.

## OTHER FLAGSHIP REPORTS

Two other flagship reports that were not scheduled for release this reporting year also form part of the *Picture of Criminality in Australia* suite.

### Organised Crime Threat Assessment

This is a classified risk assessment that examines Australia's key illicit markets and the activities that enable serious and organised crime. We assess supply and demand drivers, dynamics, the capability and intent of the known actors, and the harms and consequences resulting from each market, to establish overall levels of risk.

### Organised Crime 2025

The classified *Organised Crime 2025* report examines factors likely to affect the Australian criminal environment over the next decade. The report informs decision-making on proactive response strategies, including structural development and operational priorities. We produced this report last year, the third in our series of strategic foresight products.

## FEATURE: ILLICIT FIREARMS IN AUSTRALIA REPORT

### ASSESSMENT OF THE ILLICIT FIREARMS MARKET ENHANCES NATIONAL PICTURE

In October 2016 we released *Illicit Firearms in Australia*, our first unclassified assessment of this illicit market. While Australia has some of the strongest firearms controls in the world, illicit firearms remain a desirable commodity and enabler of criminal activity. Criminals use firearms to protect their illicit interests, such as drugs, or to commit acts of violence and intimidation. This criminal use and movement of illicit firearms is a serious national problem that impacts every Australian state and territory and affects community safety.

Our report found that:

- firearms are diverted to the illicit market in various ways using both historical and contemporary methods (noting that a substantial number of firearms are untraceable, and cannot be attributed to either method)
- historical methods include the ‘grey market’<sup>10</sup>, technical loopholes in legislation and regulation, and reactivation of previously unaccountable deactivated firearms
- contemporary methods include theft from licensed individuals and dealers (including suspected staged theft), domestic assembly or manufacture, illegal importation, and failure to record or reconcile interstate movement of firearms
- an increasing number of organised crime groups, including OMCGs, are trafficking illicit firearms
- the illicit firearms market is conservatively estimated to include more than 250,000 long-arms and 10,000 handguns
- firearms enthusiasts not previously linked to organised criminal activity influence demand by sourcing rare items from the illicit market
- technologies like darknets, encryption and digital currencies are enabling sales to occur anonymously, compounding the illegal movement of firearms both nationally and internationally
- between 2004 and 2016 we received 6,874 requests for domestic firearms traces from our Australian law enforcement partners, with the greatest proportion of illicit firearms traced identified as coming from the grey market within Australia.

We will continue to engage with our law enforcement partners and the firearms industry to collect national intelligence on illicit firearms. Building a better understanding of the nature and extent of the market, as well as identifying key gaps and vulnerabilities, helps inform appropriate responses to target and reduce criminal access to and use of firearms in the community.



10. The ‘grey market’ consists of illegally held longarms that should have been registered or surrendered under the 1996 National Firearms Agreement but were not, and a small number of black powder handguns, which at one time were not required to be registered in some jurisdictions.

# STRATEGIC ASSESSMENTS AND INSIGHTS

Alongside our regular flagship strategic intelligence products, each year we also produce targeted strategic assessments and strategic insights products on a range of topics.

## STRATEGIC ASSESSMENTS

Our strategic assessments provide ACIC Board member agencies and other relevant agencies with assessments of crime types, markets or criminal issues of national importance. These products support and influence a range of intelligence, operational and response decisions, and inform government consideration of future strategies including policy development.

In 2016–17 we produced strategic assessments on:

- identity crime
- financial crime
- current and emerging criminal opportunities associated with offshore online gambling platforms
- professional facilitators of organised financial crime
- the poaching and sale of turtle and dugong meat in Queensland
- the involvement of serious and organised crime groups in Australian public sector corruption
- the prevalence of trade-based money laundering in Australia
- vulnerabilities in Australian corporate directorships.

## STRATEGIC AND OPERATIONAL INSIGHTS

Our strategic and operational insights products provide new insights into serious and organised crime threats, groups, vulnerabilities, methodologies and markets. These products reflect key strategic observations and learnings from ACIC and partner intelligence and investigations, often based on the use of our coercive examinations or covert capabilities. Intended for stakeholders with an in-depth understanding of the organised crime environment, our strategic insights products provide decision-makers with a quick understanding of changes or emerging issues or threats. They inform and influence appropriate operational, regulatory and policy responses.

This year we produced strategic insights on:

- the OMCG response to anti-gang legislation
- Chinese involvement in the Australian methylamphetamine market
- Crysis ransomware affecting Australia and New Zealand
- risks to Australian business from offsetting foreign investment and transactions
- an offshore financial centre for serious and organised crime
- illicit imports enabled by the exploitation of company registration processes and commercial property lease arrangements
- key strategic intelligence findings related to intelligence and operational support for syndicate targeting strategies
- encryption and serious and organised crime use of mobile phone technology
- money laundering methods and key targets (following the arrest of international money launderer, Altaf Khanani, last year)
- the implications of criminal use of remote piloted aircraft (drones) in Australia
- the misuse of pharmaceutical opioids in regional New South Wales.

## NATIONAL CRIMINAL INTELLIGENCE PRIORITIES

The National Criminal Intelligence Priorities (NCIPs) set out the known national criminal threats affecting Australia, and guide national collection efforts on enduring and emerging crime issues as well as national reporting.

The ACIC Board establishes the NCIPs following advice from the ACIC and the National Criminal Intelligence Capability Committee (see page 184), which reviews the NCIPs and ensures they represent the current criminal environment in Australia at the Commonwealth, state and territory level.

The NCIPs are usually reviewed every two years.

## POLICY SUBMISSIONS AND ADVICE

An important aspect of our response to crime is the contribution we make to the development of whole-of-government strategies, policies and initiatives. We do this by using findings from our investigations, information sharing and intelligence work to inform government of potential opportunities to strengthen policy and legislation to harden Australia against crime.

### CONTRIBUTING TO POLICY ISSUES AND RESPONSES

During 2016–17 we were actively involved in a range of national policy issues and responses. For example, we supported the implementation of the National Organised Crime Response Plan 2015–18 and the National Ice Action Strategy, and whole-of-government responses to drug problems including the National Drug Strategy.

We also collaborated with our law enforcement and national security partners on whole-of-government initiatives to improve information and intelligence sharing capabilities, contributing to the whole-of-government response to the Royal Commission into Institutional Responses to Child Sexual Abuse and helping to strengthen Australia's anti-money laundering/counter-terrorism financing regime.

### INFORMING REVIEWS AND NATIONAL FORUMS

An independent review of the operations of the *Australian Crime Commission Act 2002* occurs every five years, with the last review taking place in 2015–16 (prior to the formation of the ACIC). Consideration of the final report continues and we will seek to implement any agreed recommendations arising from the review.

We also contributed to:

- the Independent National Security Legislation Monitor's review into certain questioning and detention powers in relation to terrorism in October 2016
- the Australian Capital Territory (ACT) Government review of the *Working with Vulnerable People (Background Checking) Act 2011* (ACT)
- the Productivity Commission's inquiry into data availability and use
- a range of forums addressing serious and organised crime.

Our CEO supported the Commonwealth Attorney-General and Minister for Justice during their attendance at the Law, Crime and Community Safety Council. In addition, our CEO is a member of, and contributes to, the National Justice and Policing Senior Officers Group, the Cyber Security Board, the National Intelligence Coordination Committee, Five Eyes Law Enforcement Group and the Citizenship Loss Board.

## CONTRIBUTING TO PARLIAMENTARY INQUIRIES

Throughout the year we contributed to parliamentary inquiries including the:

- Parliamentary Joint Committee on Law Enforcement inquiry into crystal methamphetamine (ice), providing evidence about market trends, serious and organised crime and our response to the threat
- House of Representatives Standing Committee on Tax and Revenue inquiry into taxpayer engagement with the tax system, providing evidence about the number of ways organised crime perpetrates revenue and taxation fraud in Australia
- South Australian Parliamentary Select Committee's inquiry on the Statutes Amendment (Decriminalisation of Sex Work) Bill 2015
- Parliamentary Joint Committee on Intelligence and Security review of ASIO's questioning and detention powers.



## OTHER PRODUCTS

In addition to strategic intelligence, we produce a range of other products such as intelligence reports and briefs, operational analysis, tactical intelligence products, automated alerts and responses to requests for information.

### OTHER PRODUCTS PRODUCED THIS YEAR

- **Reports and briefs**—We produced 73 of these analytical products during the year, informing heads of government agencies, senior policymakers and ACIC stakeholders of emerging criminal issues or events. These include regular intelligence summaries, reports on current and emerging issues and intelligence briefs.
- **Operational analysis and insights**—We produced a total of 47 of these analytical products this year. Operational analyses advise on current, emerging and predicted criminal trends, methodologies, activities, vulnerabilities and associated impacts. Operational insights reports are new to the ACIC product suite for 2016–17 and concisely capture key issues stemming from operational activity that reveal a new methodology or vulnerability or that may have a policy implication. Both product types also inform immediate operational decisions as well as decisions for the next planning cycle.
- **Tactical intelligence products**—We produced 2,107 information reports and other information this year. This is our main way of recording and sharing information derived from operational activity.
- **Automated alerts**—We produced 36,242 alerts this year.
- **Responses to requests for information**—We responded to 1,174 requests for information from national and international partners, with an increasing proportion relating to the Australian Gangs Intelligence Coordination Centre (AGICC). Responses to 616 of these requests included information and intelligence. The remainder were advised there are currently no relevant data holdings. Both of these responses are valuable to investigating agencies.

#### *ACIC intelligence products and other outputs*

PRODUCT TYPE	2013–14	2014–15	2015–16	2016–17
Analytical	153	133	124	144
Tactical	2,011	2,183	2,494	2,107
Automated alerts	N/A	4,333	25,515	36,242
<b>TOTAL (all products)</b>	<b>2,164</b>	<b>6,649</b>	<b>28,133</b>	<b>38,493</b>

## Intelligence products and advice performance scorecard 2016–17

AIM OF OUR CRIMINAL INTELLIGENCE WORK	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Build the national picture of serious and organised crime activities in Australia including by: <ul style="list-style-type: none"> <li>▪ producing useful intelligence that identifies and provides insights on new and emerging serious and organised crime threats</li> <li>▪ filling intelligence gaps by identifying vulnerabilities and indicators of serious and organised crime</li> <li>▪ interpreting and analysing national intelligence holdings to create a national serious and organised crime intelligence picture</li> <li>▪ informing and influencing hardening of the environment against serious and organised crime.</li> </ul>	Produced flagship publications, strategic assessments and other products, which we shared with partner agencies and more broadly as appropriate.	✓	✓	✓	
	Informed policy and legislative reform and other national responses.	✓	✓	✓	✓
		<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>

Note: Success in achieving ACIC key performance indicators is measured against the collective achievement across all criminal intelligence work. In addition to the indicators above, our stakeholder survey provides further feedback. Details are on pages 38–61.

# SNAPSHOT OF INTERNATIONAL COLLABORATION IN 2016–17



**8 international deployments** to 6 locations in the Netherlands, Canada, United States, Hong Kong and Dubai



**11** serious and organised criminal groups/networks **disrupted** as a result of our international focus and operational work with domestic and international partners



Developed the **Australian Priority Organisation Target list**, which details the top tier international and transnational targets that play a significant role within our serious and organised crime environment



## 2.3 INTERNATIONAL THREATS

### AIM: STRENGTHEN TRANSNATIONAL PARTNERSHIPS

The majority of serious and organised crime targets impacting Australia are either based offshore or have strong offshore links. By focusing our efforts on these transnational targets we seek to prevent, disrupt and reduce their impact on Australia. We support this approach by strengthening our international collaboration, intelligence collection and exchange, and by building our capability to share and leverage the knowledge we gain, to enable effective responses.

### RESULT: REDUCED IMPACT OF INTERNATIONAL CRIME THREATS

We achieve our aim by working closely with agencies and countries of strategic importance to gather and share intelligence and to undertake joint activities and responses.

# STRENGTHENING INTERNATIONAL COLLABORATION

With globalisation and rapidly advancing and converging technologies, the world is more connected now than ever before. It is easier and faster to communicate, travel and trade around the globe. However, this also creates opportunities for criminal exploitation, for example through encrypted communication, the constant movement of people and goods, and the formation of global networks.

## WHY WE ARE TAKING A STRONGER INTERNATIONAL FOCUS

Approximately 70 per cent of significant serious and organised crime targets that impact Australia are either based offshore or have strong offshore links. Transnational crime affects Australia across the picture of criminality including national security, key domestic and international serious and organised criminal targets, gangs, firearms, financial crime, drugs, emerging threats and cybercrime. Protecting Australia from the threat of transnational crime is a key priority.

We are responding by continuing to shift our focus offshore, strengthen our international engagement, and build our capability to effectively and efficiently share intelligence and enable joint responses.

The operational focus of our investigative and intelligence activity is increasingly on the highest threat transnational targets and sources of crime affecting Australia. This involves:

- **Building on the success of our Eligo National Task Force**—As most organised crime exists to generate wealth, our strategy of following the money and focusing on high priority transnational money laundering operations and financial crime has proven critical in investigating and disrupting criminal activity.
- **Building up international intelligence feeds**—Through close collaboration with partners and our international deployments, we are developing relationships and exploring best practice globally to gather and analyse unique intelligence on all crime types, with benefits for both frontline policing and responses to transnational crime.
- **Building our capability to effectively and efficiently share intelligence**—We are working to develop a national, unified picture of criminal activity spanning frontline policing and criminal intelligence, delivered via NCIS (see page 144). This is critical to understand and leverage intelligence holdings, including wider international intelligence feeds. We will use this knowledge to inform responses that reduce enablers of serious and organised crime, reduce the impact of criminal activity on Australia, and assist frontline policing.

Taking this more 'upstream' approach is challenging and means our work may take place over longer time frames, which is likely to initially impact on our short-term domestic outcomes.

However, by working with partners to target threats offshore, we can ultimately reduce the impact of serious and organised crime in Australia. Over the longer term, we believe this approach will have a greater impact on protecting the community and making Australia safer.

## HOW WE ARE SUPPORTING THIS SHIFT IN FOCUS

### VESTIGO TASK FORCE

The Vestigo Task Force was approved by our Board in November 2016 to provide a framework for enhanced international engagement, collaboration and information sharing.

Vestigo builds on the work of the Eligo 2 National Task Force, which clearly demonstrated the benefit of engaging with foreign law enforcement agencies to support the collection and sharing of information and intelligence.

Rather than consisting of a particular program of work, as Eligo did, this new task force will act as a conduit for our work across various investigations and operations against the threat posed by high risk serious and organised crime entities based overseas, or those with direct links to criminal entities based overseas, that are adversely impacting Australia and overseas partner countries.

Vestigo provides a single, flexible and responsive framework for engaging with overseas partners and Australian agencies in relation to information and intelligence on targeting serious and organised crime.

This task force is supported by our Commonwealth, state and territory partners, along with international partners including the Five Eyes Law Enforcement Group.

This move reflects our continuing shift from ad-hoc and opportunistic international engagement to ongoing and proactive engagement in response to the changing criminal environment.

### INTERNATIONAL DEPLOYMENTS

We are also supporting our stronger international focus with international deployments.

In 2016–17 we deployed a total of eight ACIC staff to six international locations. This included three short-term deployments and five long-term deployments.

During the year we began new deployments with Europol in the Netherlands, the Royal Canadian Mounted Police, Hong Kong Police and the El Paso Intelligence Center in the United States. Deployments continued with the Drug Enforcement Administration in the United States, and the International Cybercrime Co-ordination Cell (IC4) within the Federal Bureau of Investigation's National Cyber Joint Intelligence Task Force. Deployments to Dubai and Hong Kong finished during the year.

Our overseas deployments continue to provide valuable opportunities for intelligence collection and exchange. Operationally, they have also resulted in joint activity against offshore serious organised crime threats targeting Australia for importation of illicit goods, cybercrime activity and the movement of illicit funds overseas through money laundering. For example:

- In early 2017 an ACIC investigator was deployed for four weeks to the Hong Kong Police Narcotics Bureau's Financial Investigations Division as part of a joint money laundering and drug trafficking investigation. This work produced a closer intelligence sharing relationship between our agency and the Division.
- Our deployment to the Federal Bureau of Investigation directly supports the Australian Cyber Security Centre.
- Through our deployments, we have also extended our international engagement beyond the host agencies. Our secondees have gained access to additional law enforcement agencies in the host country and developed relationships with other countries' law enforcement agencies also operating in the host country.
- The deployments are directly supporting our efforts regarding operational and intelligence priorities of the Five Eyes Law Enforcement Group including the Cyber Crime Working Group, the Encrypted Communication Working Group and the International Controllers Workshop.

### Future deployments

From July 2017, an ACIC cybercrime analyst will be deployed to the National Cybercrime Unit at the National Crime Agency in the United Kingdom. This is part of Australia's Cyber Security Strategy to develop strategic and operational intelligence products, and identify cybercrime and associated serious and organised crime threats (such as laundering the proceeds of cybercrime) impacting on Australia and the United Kingdom. This position will also support work to identify cybercrime and associated serious and organised crime activity impacting Australia and the United Kingdom, coordinate related intelligence activities with other Australian law enforcement agencies, and identify opportunities for both countries' national security and intelligence agencies working on cybercrime issues.

### PARTNER AGENCY DEPLOYMENTS TO AUSTRALIA

Deployments to Australia from partner agencies are also strengthening our relationships and supporting our international focus. For example, during 2016–17, an investigator from Her Majesty's Revenue and Customs in the United Kingdom was deployed to work with our agency, Australian Border Force and the Australian Taxation Office for eight months to work on illicit tobacco, tax fraud and the Panama papers (see page 85). Following the success of this initiative, HM Revenue and Customs is deploying another liaison officer to Australia for a four-year posting.

## SIGNS OF EARLY SUCCESS

It is still relatively early days for our increased international focus and our Vestigo Task Force. We are working on developing effective ways to capture and measure our performance in this new arena.

However, we can report that Vestigo investigations to date have predominately focused on activities of high risk crime groups operating through or from Asia and South, Central and North America, who are suspected of supplying the Australian methylamphetamine and cocaine markets, as well as on high priority international money laundering operators. Importantly, these investigations have enabled us to collect intelligence not only in relation to money laundering issues, but also on the related criminal activity that originally generated the laundered funds.

## OPERATIONAL OUTCOMES

As a result of operational activity, we and our domestic and international partners have:

- seized more than \$2.67 million in cash
- seized illicit drugs with a combined estimated street value in excess of \$179.77 million
- disrupted 11 serious and organised criminal groups/networks.

## INTERNATIONAL TARGET LIST

We have also developed the Australian Priority Organisation Target list. Working through our High Risk Criminal Targets No. 2 Special Investigation, we built on and consolidated current efforts to better understand the highest threat offshore serious and organised crime targets and networks impacting Australia (see page 101).

## NATIONAL TARGET LIST

In addition, Vestigo activity during the reporting period informed the updating of the National Criminal Target List, including prominent offshore intermediaries who maintain both significant criminal networks in Australia and extensive offshore networks (see page 77).

## INTERNATIONAL ENGAGEMENT

Vestigo activity also facilitated engagement of key partner agencies, both domestically and offshore, with a view to developing working partnerships that support the understanding of methodologies used by offshore targets as well as opportunities to harden the environment against syndicates targeting Australia.

Details are reported in the relevant investigation and operation results in *2.4 Investigations and operations* from page 83.



*International threats performance summary scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Disrupt and reduce the impact of significant serious and organised crime targets either based offshore or that have strong offshore links.	Worked with international and domestic partners to target transnational crime groups.	✓	✓	✓	✓
	Strengthen our partnerships with international agencies.				
	Continue our international deployments program.				
		Achieved	Achieved	Achieved	Achieved

# SNAPSHOT OF INVESTIGATIONS AND OPERATIONS IN 2016-17



**\$929.71 million** illicit drugs and precursor chemicals seized (estimated street value)



**283** people arrested on **828** charges



**69** people convicted



**227** coercive examinations to discover new information about serious and organised crime



**\$14.06 million** cash seized



**\$107.67 million** worth of assets restrained



**140** entities referred to the Criminal Assets Confiscation Taskforce with an estimated value of offending of **\$137.30 million**

# SNAPSHOT OF INVESTIGATIONS AND OPERATIONS IN 2016–17



**24** targets added to the National Criminal Target List by the ACIC



Australian Gangs Intelligence Coordination Centre

- provided **425** intelligence reports, including **414** specific to Outlaw Motor Cycle Gang Special Operation
- responded to **412** requests for information



**47,873** reports received by the Australian Cybercrime Online Reporting Network (ACORN)



**71%** of stakeholders surveyed agreed we collaborate with others in the effective disruption of serious and organised criminals.



**82%** of stakeholders surveyed agreed or strongly agreed that we provide information and intelligence on changes in the crime environment (such as new crime threats, methods, trends and patterns).

## 2.4 INVESTIGATIONS AND OPERATIONS

### AIM: IMPROVE NATIONAL ABILITY TO RESPOND TO CRIME

We discover, understand and respond to serious and organised crime by working with our partners on investigations, operations and associated task forces. Our operations gather intelligence about criminal activity to understand the extent, impact and threat, while our investigations collect intelligence and evidence to disrupt and deter criminal groups.

Our Board determines whether these investigations and operations are deemed 'special', which authorises the use of our coercive powers where traditional methods are not expected to be, or have not been, effective. In 2016–17, as guided by our *Corporate Plan 2016–20*, we focused on the following priorities:

- tackling criminal profit
- tackling criminal gangs
- tackling highest risk criminals
- contributing to national security
- informing responses to Australia's illicit drug markets
- making Australia a more hostile place for serious and organised crime.

### RESULT: CRIME IS DISRUPTED AND PREVENTED, COMMUNITY IS PROTECTED

We achieved our aim by contributing to 81 disruptions of criminal entities.

The arrests and charges resulting from our work in this and previous years led to 69 people being convicted this year.

In addition, we met our performance criteria of:

- improving the picture of crime impacting Australia through discovering crime threats, vulnerabilities, patterns, methods and trends previously unknown
- creating an increasingly comprehensive, integrated and relevant understanding of the picture of crime impacting Australia, which is used to guide strategies and responses to crime
- preventing, detecting and responding to crime through:
  - better informing and influencing the hardening of the environment against crime
  - conducting investigations and intelligence operations, and producing intelligence that is effective in disrupting, disabling and dismantling serious and organised crime
  - better informing and enabling our partners to undertake policing and community safeguarding activities through access to national information systems and services.

# TACKLING CRIMINAL PROFIT

Almost all organised crime is motivated by profit. We work with partners to identify, follow and disrupt criminal money flows, as this is one of the most effective ways to investigate and undermine serious and organised criminal activity, and reduce the harm caused by criminal networks.

During 2016–17 we tackled criminal profit through our:

- Targeting Criminal Wealth No. 2 Special Investigation
- ACIC-led Eligo 2 National Task Force (to 31 December 2016)
- contribution to the Criminal Assets Confiscation Taskforce, led by the Australian Federal Police
- contribution to the multi-agency Serious Financial Crime Taskforce.

Our work tackling criminal profit this year was instrumental in the formation of the Vestigo Task Force, which enables information sharing with overseas partners.

## TARGETING CRIMINAL WEALTH NO. 2 SPECIAL INVESTIGATION

This special investigation is designed to disrupt and deter criminal groups by collecting evidence and intelligence about financially motivated crime. We work with our partners to investigate money laundering, serious and organised superannuation and investment fraud, sophisticated tax evasion and to confiscate criminal wealth.

During 2016–17 the focus of this special investigation shifted offshore, to better understand and disrupt transnational entities impacting the Australian criminal landscape.

Our work under this special investigation often exposes, and allows us to target, a range of other criminal activities that generate the profits in question, such as illicit drug trafficking.

### CONNECT

We helped connect partners and **maintained strong collaborative relationships** through this special investigation.

In particular, many of the matters targeted this year had a significant **international dimension**, requiring extensive liaison with overseas law enforcement agencies, and a coordinated international response to the investigation, prosecution and recovery of proceeds of crime.

Importantly, work under our Targeting Criminal Wealth No. 2 Special Investigation led to the creation of the Vestigo Task Force, which enables a framework for sharing information and intelligence with Australian and international partners (see page 77).

In addition, the ACIC is a member of the Five Eyes Law Enforcement Group's Money Laundering Working Group, consisting of members from the United States, Canada, the United Kingdom, New Zealand and Australia. This working group coordinates on identified risk areas and develops action plans which allow each of the agencies to leverage off each other's work.

Given that serious and organised crime transcends national boundaries and the flow of illicit funds is an international phenomenon, the work of the Money Laundering Working Group is important in addressing some of these risks.

### Collaborating on Panama papers investigations

An example of how we connect partners through our Targeting Criminal Wealth No. 2 Special Investigation is our work on the Panama papers. The Panama papers comprised 11.5 million leaked documents from the Panamanian law firm Mossack Fonseca, with financial information about clients' use of offshore entities, including for hiding money and evading tax.

#### *Informing investigation activity*

We are collaborating with the Australian Taxation Office and other partners, including in the Serious Financial Crime Taskforce (see page 91), to analyse data received relating to the Panama papers.

Intelligence gathered through our coercive powers has assisted the direction of the Panama papers investigations. We are continuing to identify matches to our criminal intelligence holdings that are valuable in shaping future audit and criminal investigation activity. We are also identifying further intelligence on other high risk groups through analysis of the Panama papers, other available data sets, and new material we are acquiring in partnership with other task force agencies.

#### *Enhancing collaboration*

The Panama papers investigations have resulted in unprecedented cooperation with international agencies.

Additional input from Five Eyes Law Enforcement Group countries has resulted in partner countries working collaboratively to develop a common strategic approach to address the risks and threats being discovered as the data is analysed. To this end, we hosted a Five Eyes Law Enforcement Group meeting in Sydney in July 2016. The meeting enabled each agency to share intelligence and information on the operations of Mossack Fonseca and other companies offering similar services to clients.

The Panama papers response has enhanced Australia's standing with international colleagues, through close work with the OECD's Joint International Taskforce on Sharing Intelligence and Collaboration. In some aspects this is ground breaking work, trialling joint activities with agencies, talking openly and working closely. We were also advised that in January 2017 the Joint International Taskforce on Sharing Intelligence and Collaboration held its third meeting on the Panama papers, chaired by the Australian Commissioner of Taxation Chris Jordan.

The meeting included the largest ever simultaneous exchange of information, with 30 member countries pooling evidence and sharing their findings from investigations of tax intermediaries, financial institutions, advisers, lawyers and accountants. Various revenue authorities have also taken compliance action, including audits, requests for information, and identifying a target list of intermediaries.

## DISCOVER AND UNDERSTAND

During the year we conducted **69 coercive examinations** for the purpose of our Targeting Criminal Wealth No. 2 Special Investigation. The information derived from these examinations was used to investigate criminal activity and inform law enforcement, national security, regulatory and policy agencies around the country.

We produced **415 intelligence products**, which we shared with partners through 1,084 disseminations—building greater understanding of emerging issues related to criminal wealth and financial crime.

We discovered, and provided partners with a better understanding of, methodologies, groups and criminal targets—in particular, identifying **69 previously unknown criminal targets** related to money laundering.

We contributed to the picture of crime impacting Australia and **improved understanding** of criminal wealth and related crime, including by sharing intelligence with our partners, such as:

- a risk assessment of financial crime (an unclassified version of this assessment is due for release in early 2017–18)
- an assessment of identity crime
- the prevalence of trade-based money laundering in Australia
- vulnerabilities in Australian corporate directorships
- risks to Australian business of foreign investment and transaction offsetting
- offshore financial centres for serious and organised crime.

In addition, we worked with our partners on a range of projects including the following examples.

### Assessing the risk posed by serious financial crime

Serious financial crime is a subset of serious and organised crime that poses a significant risk to the integrity of the Australian economy, financial markets, regulatory frameworks and revenue collection. The harm caused by serious financial crime has a very significant impact on the Australian community and the economic security of the country.

We released our latest biennial *Financial Crime Risk Assessment* in April 2017. This report covers the risk posed to Australia by serious financial crime. It improves national understanding of this important issue and provides an evidence base to prioritise the work of the Commonwealth Serious Financial Crime Taskforce.

## Assessing identity crime

This year we shared our assessment of identity crime with partners. It provides a strategic overview of what we know about serious and organised crime involvement in identity crime in Australia. It identifies different types of fake, fraudulent or stolen identities, identity documents and personal identifying information used to enable crime in different types of criminal markets. It also identifies the proportion that is initiated overseas and domestically. Our assessment provides analysis that may encourage government agencies to consider how best to protect and validate personal identifying information of individuals in the online environment, as this is assessed as an increasing area of vulnerability to identity crime.

## Identifying criminals' preferred banknote denomination

The Reserve Bank of Australia's December quarter 2016 bulletin article, *The Future of Cash*, referred to liaison with our agency and the Australian Transaction Reports and Analysis Centre (AUSTRAC) as suggesting that criminal elements tended to prefer the \$50 banknote, rather than the \$100, because of its ubiquitous use in legitimate transactions.

## Cracking down on the black economy

The information about preferred banknotes, along with other intelligence developed through our Targeting Criminal Wealth No. 2 Special Investigation, has been provided to the Black Economy Taskforce. The black economy generally refers to people who operate outside the tax system, or deliberately misreport their tax.

We have advised that by cleaning and intermingling the proceeds of crime into the legitimate financial system, money laundering enables additional serious criminal activity and allows criminals to hide and accumulate wealth, avoid prosecution and evade taxes.

The Australian Government established the Black Economy Taskforce to develop an innovative, forward looking whole-of-government policy response to combat the black economy in Australia.

## RESPOND

During 2016–17 work under the Targeting Criminal Wealth No. 2 Special Investigation to discover and understand criminal wealth and money flows enabled effective disruption and prevention responses, including the following examples.

### Disrupting criminal entities

Specific responses under our Targeting Criminal Wealth No. 2 Special Investigation to disrupt criminal entities during 2016–17 included:

- 31 criminal entities disrupted
- 140 entities referred to the Criminal Asset Confiscation Taskforce with an estimated value of offending of \$130.30 million (see page 91 for more details)



- \$4.65 million cash seized
- \$96 million worth of asset restraints
- \$205.82 million estimated street value of illicit drugs and precursor chemicals seized
- 142 charges against 78 people
- 39 people convicted.

### Preventing money laundering

This year we contributed to a number of AUSTRAC and Attorney-General's Department papers in response to relevant recommendations in last year's *Report on the Statutory Review of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and Associated Rules and Regulations*. Our contributions related to the cash in transit sector, lawyers, accountants, real estate agents, high-value dealers and trust and company service providers, adding to various cost-benefit analyses of regulating these industries, as well a more nuanced consideration of emerging threats and risks.

We reviewed the papers to ensure they captured who and what services should be regulated in accordance with our intelligence and operational experience.

## ELIGO 2 NATIONAL TASK FORCE

The ACIC-led Eligo National Task Force was approved by our Board in late 2012, under our Targeting Criminal Wealth Special Investigation, to respond to the high risk of money laundering through the alternative remittance sector and informal value transfer systems. In late 2015, Eligo 2 expanded the focus on international engagement.

While Eligo 2 closed on 31 December 2016, performance outcomes will continue. In particular, the Vestigo Task Force will enable us to continue to create leads on the activities of high priority domestic and international money launderers, and share intelligence with foreign law enforcement partners, to bolster their ability to conduct arrests and seizures. See page 77 for more on Vestigo, including early signs of success.

During 2016–17 Eligo outcomes included the following examples.

### Disrupting international money launderers

#### *Project Eligo Aquilo/New South Wales Strike Force Bugam*

Through Project Eligo Aquilo and Strike Force Bugam, a joint operation with the New South Wales Police Force, we disrupted a significant international money laundering syndicate operating in Australia, run by an international controller.

The Aquilo and Bugam investigation has led to charges against people at every level in the money laundering cycle and evidence of each level is linked to the other levels—from the international controller to members of the domestic network collecting proceeds of crime money at the controller's direction, members of the organised crime group trafficking cocaine and delivering proceeds to the controller.

### *Project Eligo Gritstone Lockout*

We worked on this joint project with the United States Drug Enforcement Administration targeting international money laundering controller, Shabaz Khan. We helped develop evidence of transactions and further evidence regarding a multi-kilogram shipment of heroin in December 2016. Khan was indicted on drug charges as a result of this supply and has since been extradited to the United States, where he will face drug and money laundering charges.

In addition to the offshore targeting we also targeted a criminal syndicate operating in Melbourne that was involved in large-scale commercial tobacco importations. As at 30 June 2017, Australian Border Force had seized more than 700 kilograms of tobacco, and this investigation was ongoing.

### **Disrupting drug importation and trafficking**

#### *Project Eligo Aquilo*

In January 2017 eight people were arrested at a Melbourne warehouse in relation to importation and attempted trafficking of a large commercial quantity of the precursor chemical, pseudoephedrine. This followed a joint operation with the Australian Federal Police, Victoria Police and Australian Border Force that began a year previously, as a result of targeting a person carrying out cash drops for a criminal syndicate. In December 2016, as a result of one of our alerts, Australian Border Force officers checked a container linked to this syndicate when it arrived in Melbourne from Vietnam. They found more than 1,000 kilograms of pseudoephedrine mixture hidden in boxes of washing powder. In a controlled operation, the consignment was substituted with sugar and released for delivery to the intended warehouse address. Six people were arrested after going through the boxes at the warehouse, and another two people were arrested soon after. Further evidence was seized during search warrants and all eight were charged. Follow-up enquiries are continuing in relation to syndicate members contacted in Vietnam and Canada.

#### *Project Eligo Aquilo/Victoria Police Operation Carats*

We provided assistance to Victoria Police to reactivate an investigation in May 2016 that had originally started in late 2015. We gathered intelligence to fill gaps and the links identified confirmed investigators' suspicions about the target's involvement with a commercial cannabis crop. This led to the successful resolution of the investigation in April 2017, when police seized more than 860 cannabis plants from two separate locations in southern Victoria. A total of \$150,000 was also seized along with important evidence. Two people were arrested. This brought the total number of plants seized through this operation to more than 6,400 with a total of 12 offenders arrested. Victoria Police described our assistance as 'invaluable'.

## Prosecutions resulting from previous investigations

- In March 2017 in the Western Australia Supreme Court, Ka Chen Fung pleaded guilty to two charges related to importing a commercial quantity of methylamphetamine. Fung received two sentences totalling 17 years' imprisonment, to be served concurrently, with a non-parole period of eight years and six months. The judge said Fung was a willing and active mid-level member of an organised crime syndicate, who was motivated by profit, and whose sole purpose in coming to Australia was to import border-controlled drugs. This outcome relates to an investigation with our partners on the Western Australia Joint Organised Crime Task Force (see page 105) into an international organised crime syndicate operating mainly in Hong Kong and Western Australia. **(Project Eligo Radnor)**
- In March 2017, the Western Australia District Court sentenced Yik Chiu Wong to a total of 16.5 years' imprisonment for money laundering and drugs charges as well as unlawful possession of cash. The court sentenced his brother, Yik Chuen Wong, to a total of 13 years' imprisonment for drugs charges and unlawful possession of cash. A third defendant, Josep Petrusic, was sentenced to 12 years' imprisonment in late 2016 after pleading guilty in relation to supplying three kilograms of methylamphetamine to the Wong brothers. A fourth defendant has entered a plea of not guilty in relation to his role in supplying the methylamphetamine. **(Project Eligo General)**
- In May 2017 the County Court of Victoria sentenced two nightclub promoters to 13 years' imprisonment with a minimum of at least nine years for their involvement in an international drug syndicate that smuggled a quarter of a tonne of ice, worth almost \$60 million, into Australia in shipping containers full of udon noodles. The pair, Raymond Lach and An Ken Vi, were among eight people arrested in July 2016 after authorities discovered 262 kilograms of ice in packets hidden under the floorboards of three shipping containers of noodles, as we reported last year. Police said last year the shipment had the potential for 2.5 million hits. In sentencing, the judge said the drugs had a potential street value of up to \$58.7 million. He said stern sentences were required to deter others from similar offending. **(Project Eligo Aquilo)**
- On 29 March 2017 in the United States, financial controller Altaf Khanani was sentenced to 68 months' imprisonment, with three years' supervised release (he will return to Dubai upon his release). He also was ordered to pay a fine of US\$250,000 and forfeited US\$41,129. Last year we reported on our role driving the collection and collation of intelligence among a range of international authorities to uncover and disrupt the Khanani Money Laundering Organisation. Khanani's clients included Chinese, Colombian and Mexican organised crime groups as well as Hezbollah, the Taliban and al-Qa'ida. Khanani is cooperating and providing valuable information to authorities.
- Four men arrested after the largest-ever seizure of methylamphetamine in Western Australia have been jailed. The men were charged after police discovered 321 kilograms of ice, worth an estimated \$321 million, at various locations in Perth in September 2015.

- On 3 March 2017 Yik To Ng, a Hong Kong national, was sentenced to 20 years' imprisonment over his role as caretaker of the ice. He pleaded guilty after his accomplice, Pak Cheong Cheung, also a Hong Kong national, gave evidence about possessing a prohibited drug with intent to sell or supply and possessing unlawfully obtained cash. Cheung was also sentenced on 3 March 2017, to 12 years' imprisonment, after police caught him with five kilograms of methylamphetamine and \$385,000 cash.
- On 22 August 2016 Chin Yeung was sentenced to 12 years' imprisonment, with a 10 year non-parole period. Yeung, from Hong Kong, had been found in a city hotel room with almost five kilograms of the drug and \$385,000 in cash. Jian Tat, from Malaysia, was sentenced to 2.5 years' imprisonment. With time already served he could be released in December 2017. The court was told Yeung had been recruited by an international drug syndicate to 'warehouse' the drugs at an East Perth apartment that he shared with Tat. Tat was not involved in the syndicate but had agreed to let Yeung store a small amount of the drugs in a cupboard in his room. (**Project Eligo Memnon**)

## CRIMINAL ASSETS CONFISCATION TASKFORCE

Our response to unexplained wealth is through the Criminal Assets Confiscation Taskforce (CACT), which is led by the Australian Federal Police and also includes the Australian Taxation Office. We ensure a proactive approach by helping to generate and prioritise organised crime targets for proceeds of crime action.

Highlights during 2016–17 included:

- restraining orders against eight properties issued in Victoria
- \$93.2 million worth of assets restrained

Note: At the time of preparation of this annual report, tax assessment figures were not available from the Australian Taxation Office. The 2016–17 figures will be reported in next year's annual report.

## SERIOUS FINANCIAL CRIME TASKFORCE

The multi-agency Serious Financial Crime Taskforce was established in mid-2015 so Commonwealth agencies could continue working together to combat serious financial crime once the long-running Project Wickenby ended.

The Serious Financial Crime Taskforce aligns the priorities and resources of Commonwealth law enforcement and regulatory agencies to target the highest risk priorities, using an intelligence-led approach. We play a critical role by:

- producing the biennial *Financial Crime Risk Assessment*, which provides the basis for prioritising work within the Serious Financial Crime Taskforce
- developing targets and generating leads through our unique intelligence collection and analysis capabilities, in particular our coercive powers.

During 2016–17, outcomes included:

- developing 66 intelligence products in relation to international tax evasion, fraudulent phoenix activity, trust and superannuation fraud, to help ensure the integrity of the Australian economy and financial markets
- working with our partners to identify Australians with links to Swiss banking relationship managers who are alleged to have actively promoted and facilitated tax evasion schemes
- working with partners to produce the Serious Financial Crime Taskforce’s first quarterly Intelligence Bulletin, which notified participants in the precious metal industry that we were aware of exploitation of GST rules and that perpetrators would be identified and dealt with using the full force of the law
- working closely with Australian and international law enforcement partners and mutual exchange processes to obtain datasets from multiple sources relating to offshore tax evasion, in order to identify high risk entities and transactions relating to Australia.

## LOOKING FORWARD: TACKLING CRIMINAL PROFIT

We will continue to undertake intelligence-led, targeted, specialist investigations, to detect and disrupt money laundering offences. In particular, we will focus on high priority international and domestic money laundering operators working with serious organised crime groups, and assessed as having the potential to seriously impact on Australia’s national economic wellbeing. This includes alternative remittance sector and informal value transfer entities, including those who are not meeting obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

These investigations typically involve transnational and serious organised crime impacting on Australia’s national interests. Such investigations will be conducted through the Vestigo Task Force to enable timely sharing of information and intelligence with Australian and overseas partners (see page 77).

We will also continue to use our coercive powers and specialist intelligence collection and analysis capabilities to generate intelligence and targeting opportunities, which may be used by both the ACIC and our partners. This includes an emphasis on identifying criminal wealth to support confiscation, and enhancing understanding about the nature, methods and mechanisms of money laundering and related financially motivated criminal activities.

## Targeting criminal profit performance summary scorecard 2016–17

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Deliver financial intelligence that identifies high value targets and provides new opportunities for law enforcement and regulatory partners.	Produced strategic and other intelligence products, which we shared with partner agencies.	✓	✓	✓	✓
	Disrupted global money laundering and drug networks, seized cash and drugs, identified emerging issues and previously unknown criminal targets.		✓	✓	✓
Build national knowledge of money laundering, nationally significant tax fraud and other financially motivated crimes.	Supported improved professionalism in the alternative remittance sector.				✓
	Contributed to reviews to understand vulnerabilities.	✓		✓	✓
Help make Australia unattractive for abusive financial arrangements and money laundering.	Contributed to investigations and prosecutions relating to tax fraud and tax evasion.	✓	✓	✓	✓
	Produced intelligence on the methodologies of previously unknown international professional money laundering syndicates and their operations in Australia and internationally.		✓	✓	✓
Reduce the impact of superannuation and investment fraud on the Australian community.	Improved understanding of threats linked to legal and regulatory vulnerabilities in various financial sectors.			✓	
Produce intelligence that contributes to whole-of-government policies and law enforcement decision-making.					
		<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>

Note: This table summarises achievements against the aim of the special investigation and task forces and aligns those achievements to ACIC performance criteria: Connect, Discover, Understand, Respond. Some work meets all four indicators while some activities are appropriately targeted to just one or two indicators. Success in achieving ACIC performance criteria is measured against the collective achievement across all special investigations, task forces and operations.

# TACKLING CRIMINAL GANGS

Outlaw motor cycle gangs (OMCGs) are highly visible crime entities, with a presence in all Australian states and territories and overseas. They are resilient, opportunistic and involved in a wide range of serious crime including drug trafficking, money laundering, extortion, firearm offences and high level violence. We gather and share information and intelligence on the threats and vulnerabilities associated with OMCGs, and contribute to the response.

We tackle criminal gangs through:

- the ACIC-led Australian Gangs Intelligence Coordination Centre (AGICC)
- our Outlaw Motor Cycle Gangs Special Operation
- National Task Force Morpheus.

Supporting information systems and services include the Gangs Intelligence Hub and the National Gangs List.

## AUSTRALIAN GANGS INTELLIGENCE COORDINATION CENTRE

The ACIC-led AGICC is a central intelligence hub responding to the escalating threats of OMCGs in Australia. It has been operating since December 2013 under **Project Legion**.

The AGICC builds and coordinates an intelligence-led response to OMCGs and other known gangs by linking strategic understanding of the national picture with intelligence that supports operational and tactical responses.

The AGICC provides a dedicated intelligence capability for the National Anti-Gangs Squad, led by the Australian Federal Police, and provides intelligence and assistance to state and territory police gang squads.

Relevant intelligence that we develop, such as through our Outlaw Motor Cycle Gangs Special Operation (see below), is shared through the AGICC.

Similarly, AGICC activities to connect and collaborate with partners supports our Outlaw Motor Cycle Gangs Special Operation and National Task Force Morpheus work (see page 98).

## OUTLAW MOTOR CYCLE GANGS SPECIAL OPERATION

Through our Outlaw Motor Cycle Gangs Special Operation we work with our partners across law enforcement and other government agencies to:

- improve understanding of OMCGs, including through coercive examinations
- provide support for target development and investigations
- build awareness of threats and vulnerabilities and contribute to appropriate responses
- effectively disrupt criminal gang activity and reduce the threat posed by OMCGs.

## CONNECT

We helped **connect partners and maintained strong collaborative relationships** through this special operation, which brings together all Australian law enforcement agencies, as well as other Commonwealth agencies to disrupt, dismantle or neutralise OMCGs nationally.

For example:

- Through the **AGICC** we strengthen law enforcement's understanding of Australian-based gangs by delivering the National Gangs List—the nationally accessible database containing gang and membership details in a secure, validated and nationally agreed list of OMCG members (see page 148).
- Internationally, through the **AGICC**, we have proactively broadened our understanding of international gang environments and transnational gang-related crime, in particular by participating in monthly OMCG teleconferences that bring together OMCG analysts from across Australian law enforcement, and external Australian and international agencies. These teleconferences cover a range of OMCG issues and updates, such as previously unknown legitimate business industries, emerging trends around concealing weapons in vehicles, and OMCG alliances.
- We attend National OMCG Managers Group meetings. This group represents each jurisdiction, agency and/or department responsible for **National Task Force Morpheus**. The purpose is to enhance operational effectiveness and maintain a strategic focus in Australia on policing OMCGs, in partnership with New Zealand. The group supports prioritisation, endorsement and coordination of operational strategies for dealing with investigations, targets and threats at a national level. It provides a national response to OMCGs and is designed to enhance jurisdictional OMCG policing. This year, we attended three National OMCG Manager Group meetings:
  - In August 2016, we updated attendees on AGICC's work and outcomes including a briefing on Project Redgrove investigations into OMCG leadership developments, ties to big business and involvement in a wider transnational organised crime network.
  - In November 2016 we updated the meeting on our OMCG coercive examination strategy, which aims to determine current and likely future national and international expansion of OMCGs, as well as exploring serious and organised criminality and unexplained wealth related to club members and associates.
  - The National OMCG Managers Group meeting in March 2017 received a presentation from the Combined Forces Special Enforcement Unit, British Columbia, on gang threat evaluation, target selection and criminal disruption.
- Through the **AGICC** during 2016–17 we facilitated a visit to the ACIC and a range of partner agencies by the New Zealand Gangs Intelligence Centre manager. During the visit, we also coordinated engagement with the Royal Canadian Mounted Police analyst deployed to the Australian Federal Police.



- A representative of the New Zealand Gangs Intelligence Centre was seconded to the **AGICC** during August and September 2016, following an exchange where an AGICC member worked in New Zealand for several weeks. Such cross-border secondments are proving worthwhile for intelligence sharing and understanding gang-related, especially OMCG-related, issues faced by both Australia and New Zealand.
- Further, an **AGICC** team leader was deployed to the Australian Federal Police for three months during 2016–17, providing analytical support to the Australian Federal Police National Anti-Gangs Squad’s National Coordination Team.

## DISCOVER AND UNDERSTAND

During 2016–17, through our Outlaw Motor Cycle Gangs Special Operation, we conducted **25 coercive examinations** that generated intelligence to further develop the national picture of OMCG membership and activities, informed proactive targeting of OMCGs, and helped inform the activities of different jurisdictions, as well as detection, prevention and mitigation strategies.

We produced **414 intelligence products**, which we shared with partners through 1,270 disseminations. These products built a greater understanding of OMCGs and their activities, helping to drive further intelligence collection and enabling effective responses.

By sharing this intelligence with our partners, we contributed to the picture of crime impacting Australia and improved understanding of OMCGs.

### Building understanding of OMCG activities

Through the **AGICC** and **Project Legion**, we play a key role in delivering a fused and dedicated picture of the OMCG threat to Australia. This national picture is developed through AGICC’s role in national intelligence coordination and the tactical support it provides to our agency and partner agency operations and intelligence development. This includes producing strategic intelligence assessments that provide a contemporary, nation-wide understanding of OMCGs and the threat they pose.

Key areas of focus this year included OMCG leadership, national and international expansion, and activities at the border.

Our coercive examinations this year added depth to national understanding of suspected serious and organised crime involving OMCGs, including insights and intelligence into their involvement in:

- illicit drug manufacture and supply, including transportation between Australian states
- use of secure communications services
- links to legitimate businesses, and money laundering through legitimate businesses
- relationships with legal facilitators involving the supply of illicit drugs in lieu of payment for services
- extortion activities in the heavy haulage industry
- establishment of chapters nationally
- links to the tattoo industry.

We shared relevant intelligence with **National Task Force Morpheus** agencies as well as our international Five Eyes Law Enforcement Group partners, the United Kingdom's National Crime Agency and the Royal Canadian Mounted Police. We are also developing insights papers focused on the national picture of OMCG links to legitimate business.

During the year we also:

- developed intelligence related to OMCGs:
  - leadership
  - pathways
  - wealth identification
  - domestic and international expansion
  - activities at the border and state/territory criminal footprints
  - drug importation and distribution
  - money laundering
  - firearm distribution
  - corruption and counter-intelligence
- responded to 412 requests for information from partner agencies, supporting their intelligence development and investigations of OMCGs
- deployed analysts to support several national and international operations targeting OMCGs.

Our **AGICC** work also provided insights into gangs and their activities by delivering operational and strategic intelligence reporting. For example, the Outlaw Motor Cycle Gangs Special Operation produced strategic insights papers examining the impact and implications of the national effort to counter OMCGs across Australia, including:

- an AGICC strategic insights paper, *Bad for the Brand—OMCG Response to Anti Gang Legislation*
- six national OMCG profiles.

Such products inform policy-makers, assist in building the national intelligence picture of OMCG activities, and identify disruption and prevention opportunities for law enforcement agencies.

## RESPOND

During 2016–17 our work improved the national ability to respond to OMCGs, including **prevention and disruption activities** under **Project Legion** and the **AGICC**.

We influenced or contributed to responses that resulted in **six disruptions** of criminal entities.

Outcomes include the following examples.

### Monitoring and disrupting travel movements

Our intelligence indicates that Australian based OMCGs continue to expand nationally and overseas to form criminal partnerships.

Through the **AGICC**, we work closely with federal, state and territory police to monitor OMCG travel movements within Australia, and with the Department of Immigration and Border Protection to monitor international travel movements of Australian-based OMCGs, and international OMCGs visiting Australia, whose criminal activities may be impacting Australia.

Joint monitoring of OMCG travel movements with both national and international partners has resulted in international OMCG members being refused entry to Australia for providing false and misleading information on incoming passenger cards.

### Pursuing tax debts

By focusing on business and financial structures, it is possible to identify opportunities to target and disrupt OMCGs and their associates. Under **Project Legion** we work with the Australian Taxation Office and other **National Task Force Morpheus** partners to disrupt individuals who may be deriving wealth from serious and organised criminal activities. See details of outcomes below.

## NATIONAL TASK FORCE MORPHEUS

The multi-agency National Task Force Morpheus, is a joint initiative of all law enforcement agencies and Commonwealth partners to facilitate collaborative targeting of the highest outlaw motor cycle gang risks to Australia. Morpheus was approved by our Board in September 2014, and is coordinated through the AGICC.

Morpheus is supported by targeted and business-as-usual activities of state and territory police and Commonwealth agencies, using both traditional and non-traditional law enforcement methods. For example, considerable progress has been made by executing search warrants on clubhouses, investigating tax and welfare payments, and monitoring travel movements, citizenship status and business activities.

In 2016–17 Morpheus achievements included:

- 2,125 arrests
- 5,312 charges
- 2,415 traffic infringement notices
- 808 legal and other notices served, involving millions of dollars, for failing to comply with obligations such as lodging tax returns and correctly declaring income
- the seizure of:
  - more than \$5.56 million cash
  - 302 firearms
  - 37.64 kilograms cannabis and 376 cannabis plants

- 13.43 kilograms of amphetamines
- 9.86 kilograms of MDMA and 11,477 MDMA tablets/pills
- 1.92 kilograms of cocaine
- 816 vials, 1,008 tablets/pills, 504 grams and 2.64 litres of steroids.

In addition, results achieved in conjunction with the Australian Taxation Office included:

- 617 taxpayers targeted with Australian Taxation Office action
- 28 audits finalised
- \$15.1 million in income tax adjustments raised
- \$8 million in cash collected
- 182 entities lodged 896 returns, after receiving a final notice to lodge
- 160 entities prosecuted for non-lodgement, with 643 convictions recorded and \$402,910 in fines raised.

## SUPPORTING INFORMATION SYSTEMS AND SERVICES

This year we continued to strengthen our **Gangs Intelligence Hub**, a central and secure hub of OMCG and criminal gang information and intelligence.

We also maintain the **National Gangs List**, which is a secure, validated and nationally agreed list of OMCG members.

For details see page 148 in *2.5 Information systems and services*.

### LOOKING FORWARD: TACKLING CRIMINAL GANGS

In the coming year, we plan to strengthen the national understanding of OMCGs, focusing on expansion (domestic and international), criminality and unexplained wealth.

The National Task Force Morpheus model has provided unique and distinct benefits. These include having access to a broad range of intelligence and national capabilities to present a united front against OMCG criminal activity through a collegiate approach.

We will continue to leverage the opportunities presented by the task force's prioritisation, endorsement and coordination of operational strategies focused on the highest risk OMCGs impacting Australia. This includes continuing to target criminal assets of gangs and further develop strategies to confiscate these assets as proceeds of crime.

We will also improve the understanding of the links between international and Australian gangs. In doing so, we will continue to use ACIC coercive powers as required and authorised under our Outlaw Motor Cycle Gang Special Operation and Highest Risk Criminal Targets No. 2 Special Investigation.

We will also continue to provide a high level of service to the National Anti-Gangs Squad, led by the Australian Federal Police.

*Targeting criminal gangs performance summary scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Collect and analyse information and intelligence on OMCG criminal activities and share it with relevant agencies.  Identify entities involved and refer information and intelligence to other bodies as appropriate.  Recommend investigative and other responses.  Reduce the impact of OMCG criminal activities through disruption, prevention and strengthening the environment to resist OMCG exploitation.	Conducted coercive examinations, shared intelligence and responded to requests for information.	✓	✓	✓	✓
	Produced strategic insights and a range of other intelligence and information products about OMCGs, which we shared with partner agencies.	✓	✓	✓	✓
	Contributed to national approaches to identify, understand and disrupt OMCGs.	✓	✓	✓	✓
		<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>

Note: This table summarises achievements against the aim of this special operation and the AGICC and aligns those achievements to ACIC performance criteria: Connect, Discover, Understand, Respond. Some work meets all four indicators while some activities are appropriately targeted to just one or two indicators. Success in achieving ACIC performance criteria is measured against the collective achievement across all special operations and investigations.

# TACKLING HIGHEST RISK CRIMINALS

The highest risk serious and organised crime entities pose a threat to Australia's national interests. They are resilient, well-resourced and exploit national and international connections. They influence illicit markets and are involved in legitimate sectors to facilitate crime. We are part of the nationally coordinated intelligence and investigative response that is essential to combat this ongoing risk.

We tackle the highest risk serious and organised criminal groups through our Highest Risk Criminal Targets No. 2 Special Investigation.

Supporting information systems and services include the National Criminal Target List, National Target System and National Alerting Capability.

## HIGHEST RISK CRIMINAL TARGETS NO. 2 SPECIAL INVESTIGATION

This special investigation aims to identify, detect, disrupt and reduce the threat posed by the highest risk serious and organised crime groups impacting Australia.

### CONNECT, DISCOVER AND UNDERSTAND

A multi-agency response is integral to discover and understand the highest risk serious and organised criminal entities that represent the greatest threat in each state and territory and nationally.

We helped **connect partners and maintained strong collaborative relationships** through this special investigation, including through the following activities:

- Developing the **Australian Priority Organisation Target list**, as a key component of the Vestigo Task Force. This list focuses on offshore targets impacting Australia, detailing the top tier international and transnational targets that play a significant role within our serious and organised crime environment. These targets are resilient, professional and enduring in nature. We continually assess the threat from these priority targets and adjust the list as targets are assessed and disrupted. This approach reflects a more coordinated and focused effort involving both our domestic and international partners, based on quality intelligence and a willingness to share details. Prioritising these targets better enables our foreign and domestic partners to work collectively to disrupt the criminal threats in Australia and offshore, as well as to discover and prioritise emerging threats. See more on about Vestigo on page 77.
- Maintaining the National Criminal Target List, a contemporary national list that enables a clear national picture of the threat and risk associated with Australia's nationally significant serious and organised crime targets (see page 147).
- Maintaining the National Target System, the secure online data repository through which we make the National Criminal Target List available to partners (see page 147).

- Providing our partners with an automated alerting service about the activities of the highest risk criminals (see page 148).
- Combining analysis and intelligence from a range of sources to provide a strategic overview of the threat and risk posed by serious and organised crime groups on the National Criminal Target list, in the *National Criminal Target Report* (see page 64).

During 2016–17 through our Highest Risk Criminal Targets No. 2 Special Investigation, we conducted **39 coercive examinations**, generating intelligence our partners could act on regarding serious and organised crime targets that represent the greatest threat and risk nationally.

We produced **716 intelligence products**, which we shared with partners through 1,973 disseminations. These products built greater understanding about the highest risk criminal targets and their activities.

We shared intelligence with partners to **improve understanding of and support responses** to:

- previously unknown entities involved in serious and organised crime
- importation and trafficking methodologies for illicit drugs, firearms and tobacco
- activities of entities on the National Criminal Target List
- laundering of proceeds of crime
- serious and organised crime use of self-storage facilities
- vulnerabilities in unregulated industries
- use of encrypted communications.

### Enhancing national understanding of serious and organised crime groups

Under our Highest Risk Criminal Targets No. 2 Special Investigation, we maintain a contemporary view of the serious and organised crime landscape in Australia. We do this work under the interrelated Projects Rosencrantz, Iceberg, and Macrobust.

#### Project Rosencrantz

Project Rosencrantz monitors and improves understanding of Australia’s most significant serious and organised criminal risks. Through Project Rosencrantz, we provided automated alerts to relevant partners regarding 36,242 financial transactions, company events or travel movements linked to entities on the National Criminal Target List and the National Gangs List (see page 147–8).

#### Project Iceberg

Project Iceberg delivers intelligence to partner agencies, identifying leads on serious and organised criminal groups on the National Criminal Target List. This year our Project Iceberg work resulted in 64 reports that provided new information to our partners—generating new insights, improving understanding of criminals’ methods and creating opportunities for our partners to respond. Broad thematic areas cover:

- bulk data collections to identify criminality and support investigations across law enforcement
- criminal exploitation of Australia's financial sector
- use of offshore corporate structures to conceal criminal wealth
- reporting to assist joint agency taskforce activities
- exploration of criminal vulnerabilities within the border supply chain
- understanding of new cybercrime methodologies and criminal use of encrypted communications.

### Project Macroburst

Through the intelligence activities of ACIC Joint Analyst Groups<sup>11</sup>, Project Macroburst develops state and territory intelligence highlighting the highest risk targets both regionally and transnationally, and supporting law enforcement to address serious and organised crime.

During the year, Project Macroburst led to the disclosure of 343 intelligence products to partner agencies on issues such as:

- social security fraud
- transnational money laundering activities
- specific drug market pricing, importation methodologies and criminal targeting
- firearm and weapon importation and possession.

### RESPOND

Work under our Highest Risk Criminal Targets No. 2 Special Investigation has identified and disrupted criminal enterprises that were highly resilient to law enforcement.

We also participate in state-based joint responses through the work of the following multi-agency joint task forces:

- New South Wales Joint Organised Crime Group
- Queensland Joint Organised Crime Taskforce
- Victorian Joint Organised Crime Task Force
- Tasmanian Serious Organised Crime Unit
- Western Australia Joint Organised Crime Task Force.

The outcomes demonstrate the benefits of coordinated multi-agency responses as well as the importance of our coercive powers, data matching and advanced analytical tools in understanding the structures and links fundamental to organised criminal activity.

11. Joint Analyst Groups are multi-agency intelligence functions located in each state and territory. They bring together analysts from the ACIC, jurisdictional police, and other Commonwealth and state partner agencies.



Specific responses to **disrupt, prevent and protect the community from highest risk criminal targets** during 2016–17 included:

- 37 criminal entities disrupted
- 685 charges against 204 people
- 30 people convicted
- \$674.50 million estimated street value of drugs seized
- \$11.66 million worth of assets restrained
- \$8.93 million cash seized.

### **Project Iceberg—building relationships and targeting high risk criminals**

Based on intelligence we provided through **Project Iceberg**, New South Wales Police executed a crime scene search warrant on a storage unit in Sydney in January 2017. Police located three safes and seized the contents, which included a variety of illicit drugs including cannabis, cocaine, lysergic acid diethylamide (LSD), MDMA, ice, ketamine, several other anaesthetic and stimulant substances, and a range of tablets and other undetermined drug exhibits. We developed our intelligence as a direct result of ongoing positive relationship building with private industry experts and their trust in our ability to handle their data sensitively and appropriately. Three persons of interest have been charged, and police will allege they were running an established drug supply business with the storage unit set up specifically for packaging, refining and supplying prohibited drugs.

### **Project Amargo—targeting drug trafficking**

The purpose of this project is to collect further intelligence and develop further targeting opportunities with our partners. The serious and organised crime syndicates targeted under Project Amargo are involved in high level drug importation and distribution in Western Australia and transnationally, along with associated money laundering activities.

During 2016–17 Project Amargo’s dynamic operational tempo led to a significant amount of intelligence, which enabled multiple successful interventions. A total of 60 intelligence reports were disclosed to Commonwealth and state partners.

During 2016–17 Project Amargo produced the following results:

- 16 disruptions
- 45 people charged
- \$3.61 million cash seized
- \$33.58 million estimated street value of methylamphetamine seized
- \$12.33 million estimated street value of cocaine seized
- \$10.03 million estimated street value of cannabis seized.

### Project Lockstream—disrupting drug imports through the post

Acting on intelligence we provided, the Australian Border Force inspected an incoming postal article at the International Mail Centre in November 2016. The package was from the United States, intended for delivery to a suburban Adelaide address, and contained a small amount of cocaine. Further intelligence development indicated that a suspected criminal syndicate was using padded envelopes to import cocaine from California to South Australia via the ‘scatter import’ methodology (sending large volumes of postal items, each containing a small amount of drugs). This information was distributed nationally with international mail gateways to identify and examine similar inbound consignments.

### Project Macroburst—disrupting drug trafficking

- In December 2016 the Western Australia Joint Organised Crime Task Force and the New South Wales Joint Organised Crime Group executed a search warrant at a Sydney unit. The search located two cartons containing approximately 20 kilograms of ice divided into 20 bags. Other items were also seized, which police believe were being used for refining liquid methylamphetamine. One person was charged with possessing a commercial quantity of an unlawful imported border controlled drug.
- Also in December 2016, acting on intelligence from the Western Australia Joint Organised Crime Task Force, the Australian Federal Police intercepted two vehicles in suburban Sydney. They seized an estimated 128 kilograms of methylamphetamine in six cardboard boxes, as well as several mobile phones. Two Malaysian nationals were arrested, one of whom was living in Australia unlawfully. They have been charged with drug related offences.
- In March 2017, the Western Australia Supreme Court convicted and sentenced Yoke Cheng Chin to 15 years imprisonment for drug-related offences. Chin, a Malaysian national who was in Australia unlawfully, had pleaded guilty. He was one of 14 people arrested during an operation by the Western Australia Joint Organised Crime Task Force.
- Multi-agency investigations are ongoing into a southeast-Asian trafficking syndicate active in Western Australia and New South Wales.
- In January 2017 the Victorian Joint Organised Crime Task Force, with support from the Queensland Joint Organised Crime Taskforce, executed 15 search warrants across Melbourne and Queensland. Six people were arrested, suspected of being involved with the attempted importation of 186 kilograms of cocaine, seized by Australia Border Force during a search of a commercial vessel off the coast of Tasmania in December 2016. Operation Barada had started earlier in 2016, when the Victorian Joint Organised Crime Task Force began investigating a Melbourne-based syndicate suspected of attempting to import illicit drugs into Australia. Information sharing with Australian Border Force provided the link to the commercial vessel, which was being monitored. One of those arrested, the alleged syndicate head, is a previous target of Joint Organised Crime Task Force investigations into drug trafficking and importation.

## SUPPORTING INFORMATION SYSTEMS AND SERVICES

The National Criminal Target List details the risk posed by Australia’s nationally significant serious and organised crime targets, including offshore networks actively targeting Australia. We also maintain the National Target System, which is a secure online data repository containing information on nationally significant organised crime groups (criminal targets).

For details see page 147 in *2.5 Information systems and services*.

### LOOKING FORWARD: TACKLING HIGHEST RISK CRIMINALS

In the coming year we will continue to work on identifying unknown national and transnational high threat targets impacting Australia.

In particular we will focus on reviewing the method for prioritising targets in conjunction with our partners.

We will also continue to build an international picture through our partnerships to better understand the connections to Australia.

## Tackling highest risk criminal targets performance summary scorecard 2016–17

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Identify, detect and disrupt the highest risk serious and organised crime entities that represent the greatest threat in each jurisdiction and nationally. Reduce the threat posed by the highest risk criminal targets. Enhance national understanding of the serious and organised crime environment.	Produced a range of intelligence products, which we shared with partner agencies.	✓	✓	✓	✓
	Identified previously unknown criminal targets and emerging threats.		✓	✓	✓
	Improved understanding of highest risk crime target group structures, activities and methodologies.		✓	✓	✓
	Contributed to investigations, including through our coercive powers, leading to arrests and seizures of cash, drugs and firearms.		✓	✓	✓
		<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>

Note: This table summarises achievements against the aim of this special investigation and aligns those achievements to ACIC performance criteria: Connect, Discover, Understand, Respond. Some work meets all four indicators while some activities are appropriately targeted to just one or two indicators. Success in achieving ACIC performance criteria is measured against the collective achievement across all special operations and investigations.

# CONTRIBUTING TO NATIONAL SECURITY

Serious and organised crime is a threat to national security. We work closely with our law enforcement and national security agency partners to reduce this threat by focusing on those areas where serious and organised crime converges with other national security activities.

We contribute to the whole-of-government response to national security threats through our:

- National Security Impacts from Serious and Organised Crime No. 2 Special Operation
- contribution to the national effort to combat foreign fighters.

## NATIONAL SECURITY IMPACTS FROM SERIOUS AND ORGANISED CRIME NO. 2 SPECIAL OPERATION

This special operation examines the convergence between serious and organised crime and other national security matters, such as terrorism. In this way, we provide a unique perspective of the evolving threats and risks posed by serious and organised crime groups within the national security environment.

Due to the nature of this special operation, we are unable to report many specific details and achievements. However, key stakeholders have acknowledged the benefits and impact of our work in this area.

### CONNECT

We achieved an increased understanding of the involvement of Australian citizens and their experiences in foreign incursion that contributed to **new and enhanced relationships** with our law enforcement and intelligence agency partners, both domestic and international.

### DISCOVER AND UNDERSTAND

During 2016–17, through our National Security Impacts from Serious and Organised Crime No. 2 Special Operation, we conducted **16 coercive examinations** to fill intelligence gaps and develop the national picture on current and emerging threats.

We produced **102 intelligence products**, which we shared with partners through 315 disseminations.

We improved understanding of the picture of crime impacting Australia by providing partners with specific, targeted intelligence that supported or advanced investigations and established other useful avenues of enquiry about **foreign fighters** and **financing of terrorism**.

## RESPOND

During 2016–17 work under this special operation supported the whole-of-government response to combat the foreign fighters' threat, including the following examples.

### Contributing to prevention of 'lone actor' terrorism

Under **Project Ridgeline-Pinecrest** we worked with partners to identify individuals in the community displaying behavioural characteristics consistent with the profile of a lone actor, contributing to whole-of-government efforts to prevent a domestic terrorist incident.

### Contributing to preventing terrorist financing

Under **Project Ridgeline-Blackthorn**, we identified vulnerabilities in the Australian charity sector that could be exploited for the purposes of terrorist financing.

## NATIONAL EFFORT TO COMBAT FOREIGN FIGHTERS

We collect and analyse intelligence to support counter-terrorism and serious and organised crime investigations and intelligence activities regarding foreign fighters, domestic terrorism threats, terrorism financing and associated serious and organised crime. We leverage our understanding of serious and organised crime methodologies to explore the nexus between terrorism, terrorism financing and serious and organised crime activities.

## CONNECT

This year we helped and connected partners including by contributing to the **National Intelligence Coordination Committee** and its associated sub-committees regarding serious and organised crime and other national security issues.

We further strengthened our relationship with the **national security community**, including through our staff embedded in other agencies. These relationships support greater collaboration and information sharing—deepening understanding of links between serious and organised crime and national security issues, which assists in disrupting such activities.

## DISCOVER, UNDERSTAND AND RESPOND

This year through **Project Ridgeline** and its sub-projects, we:

- increased understanding of the evolving threat posed by foreign fighters
- contributed to domestic monitoring and disruption activities
- used our coercive powers and other specialist capabilities to generate intelligence including information reports, intelligence briefs and operational analysis reports
- applied our Fusion specialist data analytics tools to proactively identify persons of potential interest to our national security partners.

## LOOKING FORWARD: CONTRIBUTING TO NATIONAL SECURITY

Over the next year we will work to further understanding of the nexus between terrorism and serious and organised crime.

In particular we will focus on discovering more about the support being given by Australians to terrorism groups in Iraq, Syria and beyond.

We will also enhance understanding of the financing methodologies that support terrorist organisations.

### *Contributing to national security performance summary scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Provide a unique perspective of the evolving threats and risks posed by serious and organised crime groups within the national security environment.  Examine and identify potential or actual convergences between serious and organised crime and other national security matters.	Contributed to partner investigations through coercive examinations and information reports.	✓	✓	✓	✓
	Conducted analysis to identify potential national security threats.		✓	✓	✓
		<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>

Note: This table summarises achievements against the aim of the special operation and our other related contributions and aligns those achievements to ACIC performance criteria: Connect, Discover, Understand, Respond. Some work meets all four indicators while some activities are appropriately targeted to just one or two indicators. Success in achieving ACIC performance criteria is measured against the collective achievement across all special operations and investigations and associated activities.

# INFORMING RESPONSES TO AUSTRALIA'S ILLICIT DRUG MARKETS

The illicit drug trade generates billions of dollars profit for organised crime—more than any other criminal activity—ruining lives and harming communities in the process. We contribute to Australia's response, by developing intelligence and understanding of evolving illicit drug markets, emerging trends and new drug-related threats.

We inform responses to Australia's illicit drug markets through our High Risk and Emerging Drugs No. 2 Special Operation.

## HIGH RISK AND EMERGING DRUGS NO 2 SPECIAL OPERATION

Through this special operation we monitor all Australian illicit drug markets to develop a comprehensive understanding of those markets, including both the domestic and international developments that impact Australia.

We fill intelligence gaps by leveraging our unique mix of powers and capabilities to discover and understand more about these ever-changing markets, including new and emerging trends. We also work with partners on a variety of operational, policy and legislative responses. We contribute to strategies regarding demand, supply and harm reduction, in line with the National Drug Strategy.

### CONNECT

We helped and connected partners by:

- building and maintaining strong relationships with **domestic and international police and law enforcement partners**
- **sharing intelligence and participating in joint activities** to improve understanding and inform responses to high risk and emerging drugs—international law enforcement agencies that assisted with some of our examinations will also benefit from the intelligence obtained
- establishing and consolidating relationships with entities in the pharmaceutical, health and logistics **industries** to monitor and prevent the diversion of licit substances into illicit drug markets.

### DISCOVER AND UNDERSTAND

During 2016–17 we conducted **42 coercive examinations** to fill intelligence gaps, identify insights and enhance understanding of serious and organised crime and high risk and emerging drugs. Our examinations provided detail and case studies that enhanced understanding of drug markets and contributed to federal and state police investigations.



We produced **58 intelligence products**, which we shared with partners through 280 disseminations. These products built a greater understanding of organised crime groups involved in the manufacture, importation and trafficking of a range of illicit drugs and precursor chemicals.

During the year we discovered, and provided partners with a better understanding of, methodologies, groups and criminal targets—in particular, identifying **56 previously unknown criminal targets** related to drug importation, and associated money laundering activities.

Our examinations explored new drug manufacturing techniques, particularly using non-controlled chemicals. We built the picture of crime impacting Australia by discovering:

- **a unique manufacturing process** for a controlled precursor chemical yet to be identified anywhere else in the world—we shared this intelligence with our partners and will seek to have the relevant chemical controlled at the Australian border and in a number of states and territories
- **new techniques** used to manufacture several illicit drugs, and chemicals and equipment used for illicit purposes—our *Precursor Chemicals Information Resource (PCIR) 2016* informs partners about chemicals being used in illicit drug manufacture in Australia and elsewhere, and during the year the United Nations requested a modified version of this resource for international application.

We improved understanding of the picture of crime impacting Australia, including:

- **methamphetamine** trafficking and manufacture in regional areas of Australia
- **cocaine** importation methods used by transnational groups
- the nature and extent of organised crime involvement in, and the threat posed by, **pharmaceutical opioids** such as oxycodone and fentanyl, and related substances, in particular carfentanil, as well as sources of supply and the likely future trajectory of the market
- the level of threat posed to the Australian community by **organised crime groups of different ethnic backgrounds** operating from or through mainland China
- first results of **wastewater drug monitoring** that are helping shape national responses to the demand for illicit drugs in Australia and the harms to the community (see Feature on page 115)
- signs of renewal in the 3,4-methylenedioxymethamphetamine (**MDMA**) market, in Australia and internationally, and evidence of increasing imports of MDMA precursor chemicals and increased detections of domestic clandestine manufacturing sites.

We also provided advice and submissions to inter-departmental committees on drug issues, and we disclosed information reports related to most illicit drug markets and identified importers and traffickers, drug ‘cooks’, and modus operandi of the more sophisticated networks to assist partners with operational decisions and responses.

## RESPOND

During 2016–17 work under our High Risk and Emerging Drugs No. 2 Special Operation improved the national ability to respond to crime by influencing or contributing to **prevention and disruption activities** that helped protect the community from the impact of illicit drugs.

### Contributing to the national response to methylamphetamine

We contributed to the coordinated national response to the methylamphetamine market. The crystal methylamphetamine (ice) component of this market has been the primary focus of our High Risk and Emerging Drugs No. 2 Special Operation since 2014.

In line with the recommendations of the National Ice Taskforce report, this year we continued to:

- inform responses through improved data and research
- work with partners to better understand and disrupt the supply of methylamphetamine to regional and rural areas of Australia
- collaborate with partners to disrupt the transnational trafficking of methylamphetamine and precursor chemicals to Australia
- support implementation of nationally consistent controls over precursor chemicals, and an agile mechanism to include additional chemicals of concern in schedules of controlled chemicals
- contribute to the National Methylamphetamine Strategy Group (known as Operation Vitreus), which is overseen by the Serious Organised Crime Coordination Committee and promotes a coordinated national approach, enhanced by local action and strategic plans.

### Informing responses to illicit drug trends

The National Wastewater Drug Monitoring Program gives us an opportunity to prevent or respond swiftly to adverse illicit drug trends. We released the first report this year (see Feature on page 115) and began formative work to cooperate with a range of law enforcement, public and private sector partners to apply the wastewater analysis findings to problems in particular locations.

### Helping prevent harm caused by non-medical use of pharmaceutical opioids

This year we also began a consultation program to generate discussion on the dangers posed by non-medical use of pharmaceutical opioids in this country. These substances, in particular oxycodone, fentanyl and related substances, have caused significant harms in North America and led to a regeneration of the heroin market in the United States. Our aim is to prevent a similar scenario from developing in Australia.

## Disrupting transnational crime groups

During 2016–17 we targeted drug and precursor chemical importations and related criminality to increase our understanding of the modus operandi of particular extreme and high risk groups that in most cases have a local footprint but are directed from Hong Kong and other offshore locations.

We collaborated with the Maritime Border Command and the Australian Border Force, the Australian Defence Force, the Australian Federal Police and state agencies, to detect imports of ice, cocaine and illicit cigarettes through sea and air cargo.

Our work improved understanding of collaboration between Malaysian and Chinese nationals to import illicit substances, launder proceeds of crime, engage in immigration fraud and exploit vulnerabilities in the system governing company registrations in Australia, to establish corporate fronts for drug imports and money laundering. Specifically, our work through **Project Baystone Askella** resulted in the:

- seizure of \$480,000 cash
- seizure of \$49.38 million estimated street value of illicit drugs
- seizure of approximately 10 million cigarettes that were smuggled into Australia without payment of excise
- detection of 186 kilograms of cocaine and arrest of 10 Chinese nationals, following the interception of a commercial vessel
- multiple smaller seizures of methylamphetamine in Victoria, as well as seizures of tobacco products.

## FEATURE: NATIONAL WASTEWATER ANALYSIS

### BETTER DRUG DATA INFORMS NATIONAL RESPONSE

Australia's first wastewater analysis report indicates that, in mid-2016, alcohol and tobacco consumption was the highest of all substances tested in all states and territories. Methylamphetamine consumption was the highest of the remaining substances, at more than three times the size of the cocaine market and five times the size of the MDMA market. Use of the pharmaceutical opioids oxycodone and fentanyl was significant, particularly in regional areas, which provides potential for diversion to illicit markets. Results for four new psychoactive substances indicate this is a niche market that remains small compared with traditional illicit drug markets.

These findings were released in March 2017 in the first of nine public reports from Australia's National Wastewater Drug Monitoring Program.

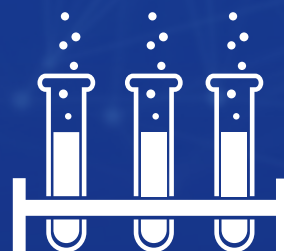
The program began in 2016–17, with \$3.6 million funding over three years from the Confiscated Assets Account. It focuses on methylamphetamine and 12 other substances, covering 51 geographic locations across metropolitan and regional Australia, representing 58 per cent of the population.

Recognising the benefits of wastewater analysis, we partnered with established scientific expertise within the University of Queensland and the University of South Australia to introduce this national program. It is capturing comprehensive and reliable data on drug consumption from wastewater samples. This provides a measure of demand for a range of licit and illicit drugs—one important aspect of national health.

Wastewater analysis is used around the world to measure and interpret drug use within national populations. Our program is in line with international models. It is near real-time, non-intrusive and can measure average drug use in both large and small populations. This enables governments to effectively direct resources to priority areas, and monitor the progress of demand and supply reduction strategies. Better data also enables us to identify emerging trends.

The first public wastewater report established a baseline assessment of national drug consumption. It provides data on usage patterns across states, territories and nationally, data on capital city and regional drug use, comparisons between some Australian locations and overseas countries, and where possible comparisons with previous use in Australia.

Future reports will contribute further data to identify changes in usage patterns nationally and build a comprehensive and increasingly detailed picture of national drug consumption.



## LOOKING FORWARD: INFORMING RESPONSES TO AUSTRALIA'S ILLICIT DRUG MARKET

We will continue to monitor trends in all Australian illicit drug markets, including to better understand new and emerging drug threats including oxycodone and fentanyl.

We will also continue to implement recommendations of the National Ice Taskforce Report and the National Ice Action Strategy.

### *Informing responses to Australia's illicit drug markets performance summary scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Monitor all Australian illicit drug markets and develop and maintain an increasingly holistic understanding of those markets, both domestically and internationally.  Resolve intelligence gaps by leveraging our unique mix of powers and capabilities to discover and understand new and emerging trends and to inform partners.  Proactively develop appropriate operational, legal and policy responses.	Produced strategic assessments, intelligence products and reports, which we shared with partner agencies and worked with them to shape appropriate responses.	✓	✓	✓	✓
	Worked with partners and industry to identify and address vulnerabilities being exploited by organised crime.	✓	✓	✓	✓
	Informed policy and regulatory reform and other national responses.		✓	✓	✓
	Where there was an over-riding ACIC purpose, contributed to partner investigations through coercive examinations, Notices and information reports.	✓	✓	✓	✓
		<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>

Note: This table summarises achievements against the aim of this special operation and aligns those achievements to ACIC performance criteria: Connect, Discover, Understand, Respond. Some work meets all four indicators while some activities are appropriately targeted to just one or two indicators. Success in achieving ACIC performance criteria is measured against the collective achievement across all special operations and investigations.

# MAKING AUSTRALIA A MORE HOSTILE PLACE FOR SERIOUS AND ORGANISED CRIME

Serious and organised crime is ever more diversified, sophisticated and complex. We work to find more innovative ways of identifying and preventing such criminal activity before it gains a foothold by making Australia a more hostile place for serious and organised crime.

We help to make Australia a more hostile place for serious and organised crime through our:

- Criminal Exploitation of Australia's Migration System Special Operation
- Emerging Organised Crime Threats Special Operation.

## EMERGING ORGANISED CRIME THREATS SPECIAL OPERATION

Serious and organised crime threats affect Australian society, institutions, markets, sectors and the economy. Through this special operation, we identify, investigate and disrupt such threats. For example, we consider threats such as illegal bookmaking, firearms and cybercrime. We also deliver intelligence on enablers and methodologies used by serious and organised crime, including professional facilitators who provide expertise and support to organised crime groups.

### CONNECT

Throughout the year we helped and **connected partners** as we worked together to develop and **share intelligence** that informed national responses.

### DISCOVER AND UNDERSTAND

During the year, through our Emerging Organised Crime Threats Special Operation, we conducted **16 coercive examinations** to fill intelligence gaps and develop the national picture on emerging threats.

We produced **355 intelligence products**, which we shared with partners through 1,057 disseminations.

We **built the picture of crime impacting Australia** including the following examples.

#### Developing a richer understanding of the national firearm environment

We worked with partner agencies to develop a richer understanding of national firearm intelligence holdings and enhance understanding of the national firearm environment.

Under **Project Mylonite** we:

- developed greater understanding of the importation of firearms and the Australian firearm market, and the diversion of firearms by legitimate license holders to serious and organised crime entities, including developing targeting opportunities for partner agencies

- developed greater consistency in reporting and national collection of data related to unregistered firearms
- increased use of intelligence tools such as our Firearms Trace Program and the Australian Ballistic Information Network
- progressed development of the Australian Firearms Information Network portal for our state and territory law enforcement partners, which will allow them to access detailed and accurate information on known firearms across Australia
- worked to consolidate intelligence holdings across partner agencies to provide a richer understanding of existing data, including the Department of Immigration and Border Protection, the Australian Federal Police and our own holdings—we continue to check the data against our existing systems to remove any inaccuracies and explore the full gamut of data matching and intelligence assessments.

### Improving understanding of exploitation of offshore unregulated bookmakers

We worked with the Department of Health to better understand the nature and extent of criminal exploitation of offshore unregulated bookmakers, and associated tax evasion and welfare fraud activities.

Under **Project Petram** we improved understanding of offshore gambling platforms, including intelligence insights about the vulnerabilities related to Australian sport, revenue and integrity and how serious and organised crime entities use these platforms for gambling, illicit funds transfers and laundering funds offshore.

We briefed international law enforcement and regulatory agencies and established key working partnerships to target offshore unregulated bookmaking platforms. The briefings demonstrate our leading international position, based on advanced intelligence development, key partnerships with law enforcement agencies and industry, and significant outcomes from coercive capabilities to understand the structures of and links to serious and organised crime, and use of criminal enterprises to shift funds internationally. The briefings also demonstrate our understanding of unregulated bookmaking platforms and how money is moved through them, including potential money laundering via online gambling.

Several international law enforcement and regulatory bodies have committed to work closely with us and to share all relevant intelligence. We will continue providing international briefings to further enhance key relationships and establish intelligence sharing and investigative opportunities.

### Improving understanding of cybercrime and informing policy and responses

The Cyber Security Review, led by the Department of the Prime Minister and Cabinet, found that cybercrime costs the Australian economy up to \$1 billion a year in direct costs alone. Australia's relative wealth and high use of technology such as social media, online banking and government services make it an attractive target for serious and organised criminal syndicates.

We are a founding member of the Australian Cyber Security Centre—the hub for public and private sector collaboration and information sharing to combat cyber security threats. Other partners include the Department of Defence, Attorney-General's Department, Australian Security Intelligence Organisation and Australian Federal Police. See the Feature on page 121.

As part of Australia's 2016 Cyber Security Strategy, we received \$16 million over four years to expand our cybercrime intelligence capability, including collaborating with domestic and international partners on joint assessments and informing cybercrime policy.

This year we worked with partner agencies to enhance national understanding of the threat and vulnerabilities posed by pure cybercrime threats to Australia<sup>12</sup>, and develop and add value to understanding of the cybercrime threat.

Specifically, under **Project Longstrike** this year we:

- provided the Australian Federal Police Cyber Crime Operations with identities of four possible cybercrime offenders
- provided the United States' Homeland Security Investigations Cyber Crimes Center (C3) with information on a person of interest based in Melbourne, who was cashing out large amounts of bitcoin into the United States
- worked with the United States Federal Bureau of Investigation and provided travel movement information on a cybercriminal we had jointly identified
- worked with the Federal Bureau of Investigation to identify a Russia-based cybercriminal after our analyst seconded to the Bureau's National Cyber Investigative Joint Task Force-International Cyber Crime Coordination Cell (IC4) identified a Web Money account for the cybercriminal—the cybercriminal had provided botnet services to another cybercriminal targeting Australian financial institutions<sup>13</sup>
- authored the cybercrime components of the 2016 Australian Cyber Security Centre Threat Report
- disseminated a strategic insights paper on Crysia Ransomware, the first in a suite of value-added products derived from trend analysis of Australian Cybercrime Online Reporting Network (ACORN) data
- reviewed data analysis and reporting from the ACORN, and improved search options for analysts, developed value-added products and refined monthly statistics to speed up production of reports (see more about the ACORN on page 135–6)
- presented joint papers with the Five Eyes Law Enforcement Group Cyber Crime Working Group, about cash-out (monetising the proceeds of criminal activity) and virtual currencies at the International Cybercrime Operations Summit in October 2016—we are working with the Australian Federal Police to prepare an actionable strategy ahead of the next Five Eyes Law Enforcement Group Cyber Crime Working Group meeting.

Several of these matters are ongoing.

12. 'Pure cybercrime' refers to crime such as hacking, malware, spyware or ransomware, as distinct from 'cyber-enabled crime'.

13. Botnets are networks of private computers infected with malware and controlled without their owners' knowledge.



## RESPOND

During 2016–17 work under our Emerging Organised Crime Threats Special Operation contributed to **prevention and disruption activities** by partner agencies.

For example we helped protect the community from the impact of **firearm activities** by:

- assessing licensed firearm holders, including people who have failed to declare criminal convictions, and interstate transfer of weapons—preventative actions include providing support and systems stakeholders, through the Australian Firearms Information Network, incorporating trace, ballistics, and firearm records
- informing and contributing to disruption activities related to search warrants executed by Victoria Police and the Australian Border Force in February 2017—this resulted in one person being arrested and charged with offences related to manufacturing, possessing and supplying firearms.

## FEATURE: HELPING TO PROTECT THE COMMUNITY FROM CYBERCRIME

### AUSTRALIAN CYBER SECURITY CENTRE

This year we continued to work within the Australian Cyber Security Centre (ACSC) to help build a stronger picture of the cybercrime landscape. Our role includes working with partners to assess and prioritise cybercrime threats impacting Australia. During 2016–17, we identified more real world identities of cybercriminals targeting Australia—mostly originating from Russia and elsewhere in Eastern Europe—than ever before.

We also worked with our ACSC partners to proactively respond to significant cyber incidents impacting Australia. During the year, two large-scale ransomware campaigns commonly known as ‘WanaCry’ and ‘Petya’ affected many organisations globally. The ACSC coordinated the whole-of-government response to these incidents. We analysed ACORN reports in real time to identify if members of the public were reporting any information potentially relating to WanaCry or Petya. This monitoring was operationally important because it helped the ACSC to understand the threat posed to Australia. For example, the majority of reports of WanaCry in Australia were received via the ACORN.

In March 2017, we supported the annual ACSC conference. In its third year, the two-day conference featured leading cyber security experts from Australia and abroad to discuss the latest threats, mitigations and advances in cyber security. Our staff presented on the cybercrime threat landscape, provided live tweeting of the event and helped facilitate conference streams. The successful conference identified many new opportunities for industry collaboration on cybercrime threat intelligence.

We will continue to participate in the Australian Cyber Security Centre and contribute towards its mission of ensuring that Australian networks are among the hardest in the world to compromise.



## CRIMINAL EXPLOITATION OF AUSTRALIA'S MIGRATION SYSTEM SPECIAL OPERATION

Visa and migration fraud pose a threat to Australia's national interests, and serious and organised crime groups are increasingly involved in exploiting the system to facilitate criminal activities in Australia. Through this special operation we develop innovative approaches to prevent, disrupt and mitigate such activities. We fill intelligence gaps including the prevalence of visa migration fraud due to the nature and sophistication of the onshore and offshore entities involved.

We work in partnership with the Department of Immigration and Border Protection to investigate serious and organised crime entities. This includes developing priorities for targeting using the ACIC-led National Criminal Intelligence Fusion capability, including bulk data-matching and analysis to identify individuals and groups involved in visa and migration fraud activity.

### CONNECT

Throughout the year we developed and maintained a strong **collaborative relationship** with our special operation partner, the Department of Immigration and Border Protection.

This included **developing and sharing intelligence** to understand exploitation of visas and visa holders, and fraudulent visa sponsorship arrangements.

### DISCOVER AND UNDERSTAND

During 2016–17 we conducted **20 coercive examinations** to discover and understand the threat posed by serious and organised crime to Australia's visa and migration system.

We produced **35 intelligence products**, which we shared with partners through 97 disseminations. These products provided specific, targeted intelligence that supported or advanced investigations and established other useful avenues of enquiry.

We **identified several entities** linked with targets on the National Criminal Target List, highlighting the complex links between serious and organised crime entities and visa and migration fraud activities.

We improved understanding of the picture of crime impacting Australia, including the following examples.

### Improving understanding of visa exploitation and fraud in South Australia's sex industry

During the year we identified intelligence and case studies related to serious and organised crime including OMCGs and Asian-oriented crime links to the sex industry in South Australia, visa migration fraud, human trafficking, money laundering, tax evasion, illicit drug activity, extortion and blackmail, and exposure of sex workers to harm.

This was achieved by coordinating our work through **Project Jactco** under the Criminal Exploitation of Australia's Migration System Special Operation and a parallel project related to our Outlaw Motorcycle Gangs Special Operation. The purpose was to advance understanding of exploitation of visas related to the sex industry in South Australia.

We held a total of 12 coercive examinations in Adelaide, four under our Criminal Exploitation of Australia's Migration System Special Operation, focused on people exploiting working visas for activities in the sex industry and links to serious and organised crime entities both in Australia and internationally. These examinations resulted in submissions to the South Australian Parliament, relating to the South Australian Statutes Amendment (Decriminalisation of Sex Work) Bill 2015.

### Identifying visa manipulation and infiltration of South Australia's labour hire industry

Through **Project Jacto**, and the Australian Border Force's **Project Artisan/Operation Withershin**, we held two coercive examinations in Adelaide, regarding a visa migration agent and labour hire company manipulating permanent residency visas in South Australia, and links to legal professionals undertaking false visa applications on behalf of those seeking extended working visas, and student visa applications.

In addition, in partnership with Australian Border Force **Operation Cadena**, we conducted an investigation, which included a series of examinations that identified infiltration of the labour hire industry in Western Australia and significant links to drug trafficking, money laundering, sexual exploitation, false business structures, complicit offshore visa migration agents and the involvement of members of Triads in serious and organised crime groups.

### Identifying manipulation of visas for Taiwanese phone scams

Also under **Project Jacto**, we held a coercive examination in Brisbane regarding Taiwanese boiler rooms. Working with officers from the Department of Immigration and Border Protection's Operation Jockteleg, we looked into the manipulation of travel/working visas to facilitate people coming to Australia to set up and operate boiler rooms, targeting people offshore (primarily Taiwanese/Chinese) in what are referred to as 'Taiwanese phone scams'. The examination identified a total of 12 previous, now inactive, boiler rooms. The intelligence gained will support other priority work and possible operational responses including profiling of inbound targets as a preventative measure.

## Supporting investigation outcomes

Our intelligence products provided specific, targeted intelligence that supported or advanced investigations and established other useful avenues of enquiry related to:

- exploitation of labour hire companies
- risks associated with student visa programs, including infiltration of the education industry
- provision of false education qualifications and complicit education providers
- exploitation of working visas to facilitate international organised crime
- organised and sophisticated visa and migration fraud, including complicit industry (such as farms and labour hire businesses)
- pathways for visa and migration fraud and abuse by entities seeking to establish a permanent presence in Australia
- money laundering and taxation fraud related offences
- contrived marriages—through **Project Jacto** we are informing further avenues of enquiry, with a view to prosecuting persons of interest suspected of being involved in contrived marriages in Western Sydney.

## RESPOND

During 2016–17 work under our Criminal Exploitation of Australia’s Migration System Special Operation provided significant scope for the development of **prevention activities** by partner agencies, to help protect the community from the impact of exploitation of the migration system.

For example we:

- established **vulnerabilities in the education sector**
- assessed risk and threat of suspected **complicit visa migration agents**, to provide scope for further validation of agent credentials
- improved understanding of the use of the **electronic travel arrangements** and misuse by people seeking visa allocation to further visa and migration fraud activities domestically
- developed an understanding of the risks associated with the labour hire industry, and **market manipulation** by serious and organised crime entities to participate in criminal activities.

These activities continued to inform our partners and enable ongoing targeting, and implementation of capabilities to harden the environment against visa and migration fraud.

## LOOKING FORWARD: MAKING AUSTRALIA A MORE HOSTILE PLACE FOR SERIOUS AND ORGANISED CRIME

In the year ahead we will pursue work under two new special operations approved by the Board in June 2017: the Firearms Trafficking Special Operation; and the Cyber-related Offending Special Operation.

In terms of cybercrime, we will continue to participate in national strategies to counter cyber threats, including the Australian Cyber Security Centre, and share intelligence to inform responses. Specific priorities in the coming year are to deepen understanding of virtual currencies and how criminals exploit them, and to enhance understanding of the use of malware in relation to financial crimes.

Regarding firearms, we will continue to work with partners to further understand the illicit firearm market, in particular the illegal import or export of prohibited firearms and other weapons, cross-border and international firearm trafficking, and violence-related offences involving firearms. We will also work with our partners to mature our firearm information systems with the aim of enhancing data integrity.

In addition, we will enhance national understanding of emerging criminal threats including working to discover the links between illegal bookmaking and Australian serious and organised crime, and to discover more about the groups and methods used to profit from illegal use of visas in Australia.

*Making Australia a more hostile place for serious and organised crime performance summary scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Work closely with our partner to: <ul style="list-style-type: none"> <li>develop innovative approaches to prevent, disrupt and mitigate the activities of serious and organised crime groups seeking to exploit Australia’s migration system</li> <li>identify, investigate and disrupt emerging organised crime threats affecting Australian society, institutions, markets, sectors and economy</li> </ul>	Produced intelligence products, which we shared with partner agencies.	✓	✓	✓	✓
	Connected agencies to coordinate and facilitate national response.	✓		✓	✓
	Developed and implemented national firearm data capabilities.	✓		✓	✓
	Worked with partners and industry to identify and address vulnerabilities being exploited by organised crime, and support collective targeting.	✓	✓	✓	✓
	Contributed to partner investigations through coercive examinations and information reports.	✓	✓	✓	✓
		<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>	<b>Achieved</b>

Note: This table summarises achievements against the aim of this special operation and aligns those achievements to ACIC performance criteria: Connect, Discover, Understand, Respond. Some work meets all four indicators while some activities are appropriately targeted to just one or two indicators. Success in achieving ACIC performance criteria is measured against the collective achievement across all special operations and investigations.

## LOOKING FORWARD: INVESTIGATIONS AND OPERATIONS

The merge of the ACC and CrimTrac aligned key focus areas of the ACC’s serious and organised crime work with CrimTrac’s information systems and service delivery functions. To join and streamline these focus areas into a consolidated work stream, we have developed internal intelligence hubs that we will introduce from 2017–18. These hubs will incorporate all aspects of our efforts regarding national security, high risk domestic and international targets, gangs, firearms, financial crime, drugs, emerging threats and cybercrime. This will provide the mechanism for us to effectively report on our performance on investigations and operations into the future.

# SNAPSHOT OF NATIONAL INFORMATION AND INTELLIGENCE SHARING SERVICES IN 2016–17

## FRONTLINE SERVICES



### PEOPLE

- **44.31 million** searches of the National Police Reference System
- the National Police Reference System currently holds **11.42 million** records and **9.28 million** photos



### FIREARMS

- **6.03 million** firearm records
- **20,546** searches of the National Firearms Identification Database



### DRUGS

- Started work on a National Electronic End User Declaration for orders of controlled chemicals and equipment



### VEHICLES

- **227,045** incidents recorded
- More than **7.31 million** searches of the National Vehicles of Interest database

## CYBERCRIME REPORTING SERVICES



- **240,324** visitors and **47,873** reports to the Australian Cybercrime Online Reporting Network (ACORN)

## CRIMINAL HISTORY CHECKS



- **4.75 million** national police checks processed
- **24** new organisations accredited



# SNAPSHOT OF NATIONAL INFORMATION AND INTELLIGENCE SHARING SERVICES IN 2016–17

## BIOMETRIC AND FORENSIC SERVICES



### PRINTS

- **8.18 million** fingerprint sets of **4.75 million** people
- **1.47 million** searches of National Automated Fingerprint Identification System



### DNA

- **52,051** crime scene to person matches
- **1.1 million** profiles in National Criminal Investigation DNA database

## PROTECTION SERVICES



### CHILD PROTECTION

- National Child Offender System available **99.6 per cent** of the time
- Child Exploitation Tracking System available **100 per cent** of the time



### DOMESTIC VIOLENCE

- Interim Order Reference Solution delivered, to provide courts with information about Domestic Violence Orders created in all jurisdictions

## NATIONAL CRIMINAL INTELLIGENCE SYSTEM (NCIS)



- Pilot program successfully completed
- More than **400 users** from **20 agencies**



- **95%** of stakeholders surveyed agreed our services and systems were of value, or of great value



- **65%** of stakeholders surveyed agreed or strongly agreed that new and enhanced ACIC national policing and intelligence systems are being developed and improved to meet their organisation's needs



## 2.5 NATIONAL INFORMATION AND INTELLIGENCE SHARING SERVICES

### AIM: PROVIDE SYSTEMS, SERVICES AND KNOWLEDGE

Strong information and intelligence sharing allows law enforcement agencies to focus operational resources and achieve better results that reduce the impact of the most serious and organised crime threats. Disseminating knowledge also informs and influences longer-term strategic planning and policy development, with an emphasis on prevention.

Our role is to provide a national platform for sharing information and intelligence related to current frontline services, cybercrime reporting, biometrics, forensics and protection services, while also setting in place the platform for future requirements.

### RESULT: BETTER CONNECTED AND INFORMED PARTNERS

We achieve our aim by providing secure, collaborative systems and services that connect police and law enforcement to criminal intelligence and analytical tools, as well as essential policing knowledge and information.

# INFORMATION SYSTEMS AND SERVICES

We provide essential policing knowledge and information through collaborative national information systems and services that help our partners prevent, detect and reduce crime in the community.

As part of our function to provide and maintain national information capabilities and services to support policing and law enforcement we maintained critical systems related to frontline police reference systems.

Australia's various police agencies share essential policing information with each other through these systems related to:

- **frontline services**—information related to people, firearms and ballistics, vehicles and drugs
- **cybercrime reporting services**—information related to types and incidents of cybercrime
- **biometric and forensic services**—information related to fingerprints and DNA
- **protection services**—information related to child protection and domestic violence.

During 2016–17 we reviewed and consolidated our services and plans, and the approach we are taking to deliver some of our capabilities, with a view to leveraging broader enterprise capabilities and identifying new ways of delivering required services. This included evaluating future requirements in delivery areas including police referencing, ballistics, child exploitation tracking and biometrics.

## FRONTLINE SERVICES—PEOPLE

These systems and services provide police with access to information they need to do their jobs safely and to help protect the community.

### NATIONAL POLICE REFERENCE SYSTEM

This system equips police with the knowledge they need to make on-the-spot decisions when dealing with persons of interest. It is available to over 70,000 police officers, investigators and analysts across Australia, enabling them to share essential national policing information with each other.

The system provides key national reference data such as names, identity information and photographs, information on warnings, warrants, wanted persons, and firearms. This information is accessible from handheld devices, in-car terminals and desktop computers.

During 2016–17:

- 77,865 users accessed the system
- there was a total of 11.42 million records and 9.28 million photos
- 44.31 million person searches were conducted
- the system was available 99.6 per cent of the time.

## LOOKING FORWARD

### NATIONAL POLICING INFORMATION HUB

We have started work on the National Policing Information Hub, which will eventually replace the National Police Reference System. The hub will deliver a Master Data Management platform—a consistent way of managing and linking all data with a common point of reference, to streamline data sharing. We will combine this with the ability to adapt to evolving information types, enabling richer provision and consumption of national policing information. The dynamic platform will integrate current and future policing systems and better enable inclusion of data into the NCIS sharing environment. See page 144 for more on NCIS.

### NATIONAL NAMES INDEX

This index supports police and wider law enforcement by providing high-level information about persons of interest. It provides a high-level snapshot of national persons of interest to a range of stakeholders for operational policing, wider law enforcement initiatives and to support the National Police Checking Service.

During 2016–17:

- 1.53 million searches were conducted
- the index was available 99.7 per cent of the time.

## LOOKING FORWARD

### ENHANCING NAME MATCHING FUNCTIONALITY AND CAPABILITY

We are continuing with our technical work on the National Police Checking Service Support System to enhance its person of interest search and name matching capability and functionality. This program of work will improve the accuracy of name searches by reducing human verification tasks and improving business processes. This will make a richer dataset available, improving business efficiency. This is because agencies with appropriate legislation in place to access National Police Checking Service data will have less need to request further information. Stages one and two of this project were completed during 2016–17. The third and final stage to implement technical upgrades and system performance improvements is due to be completed during 2017–18. Once finalised, these improvements will enable us to retire the National Names Index.

## ENHANCING ACCESS TO POLICING INFORMATION FOR APPROVED EXTERNAL AGENCIES

Due to the valuable and sensitive nature of the national policing information we hold, there are strict controls around its access, use and disclosure. We provide access to our police agency partners and other non-police law enforcement agencies requiring the information to support their law enforcement functions.

A principles-based framework, in conjunction with the ACC Act, governs access for third-party Approved External Agencies (AEA) to national policing information we hold.

We are working on a project to enhance access for AEAs by:

- updating the framework to enable non-police law enforcement agencies access to more information, via a restricted view of the National Police Reference System
- implementing the underlying changes to the National Police Reference System required to accommodate this access.

## FRONTLINE SERVICES—FIREARMS AND BALLISTICS

### NATIONAL FIREARMS IDENTIFICATION DATABASE

This national database helps police manage firearms and solve violent gun crime in Australia. The database is a reference tool that enables police to identify and characterise a firearm, using details such as make, model, calibre and capacity. It assists police to ensure firearms are recorded consistently during registration, importation or transfer of ownership and movement across state and territory borders.

During 2016–17:

- 20,546 searches were conducted
- there were a total of 22,320 unique firearm records
- the database was available 99.7 per cent of the time.

### NATIONAL FIREARMS LICENSING AND REGISTRATION SYSTEM

This system helps build the picture of firearm licence and registration information across the country. It is used to ensure compliance with firearm registration. The system helps firearm registries view the licence and registration information held by other states and territories, including firearm licence holders, licensed firearm dealers, registered firearms, and lost, stolen and transferred firearms.

During 2016–17:

- 278,010 searches were conducted
- there was a total of 6.03 million firearm records
- there was a total of 2.02 million licence records
- the system was available 99.7 per cent of the time.

## LOOKING FORWARD

### AUSTRALIAN FIREARMS INFORMATION NETWORK

We are developing the new Australian Firearms Information Network, which will allow us to retire the National Firearms Licensing and Registration System.

A program is under development to connect and integrate this new network with all police systems. This will ultimately provide police with access to a richer set of firearm-related data, enabling a consolidated view of a firearm's transactions through its life cycle—from import or manufacture for sale in Australia through to export or destruction. Over time, the network will provide a national picture of each known firearm in Australia, and its history of movement between people and organisations. This will help partners manage the registration, licensing and movement of firearms coming into and out of Australia and moving between our states and territories.

The new Australian Firearms Information Network will complement the Australian Ballistic Information Network, and is enhancing collaboration between all Commonwealth, state and territory agencies responsible for firearm management in Australia.

We will continue to provide the National Firearms Identification Database, which underpins the new network and will enable limited access to relevant firearm data for other stakeholders.

### AUSTRALIAN BALLISTIC INFORMATION NETWORK

This national network helps police identify ballistics data to link crime, firearms and suspects. It helps police across Australia electronically match crime scene ballistic evidence to the weapon used in the crime, or link crimes if the same firearm is used at multiple scenes. This system builds on existing ballistic libraries that operate in several states.

During 2016–17:

- 54 crime scene matches were made
- the system was available 99.9 per cent of the time.

## LOOKING FORWARD

### FUTURE OF THE AUSTRALIAN BALLISTIC INFORMATION NETWORK

In 2017–18 we will review fitness for purpose and suitability of the Australian Ballistic Information Network, including consultation with stakeholders, to consider the requirements and shape of this network into the future.

## FRONTLINE SERVICES—VEHICLES

### NATIONAL VEHICLES OF INTEREST SYSTEM

This system enables police to record and check details about vehicles that may be stolen or suspect. It allows users to record and enquire about both local and interstate vehicles of interest. System users can also enquire about vehicle components, national vehicle registration and description information, and national drivers licence holder information, provided by the National Exchange of Vehicle and Driver Information System hosted by Austroads (the peak organisation of Australasian road transport and traffic agencies).

During 2016–17:

- 227,045 incidents were recorded
- 7.31 million searches were conducted
- the system was available 99.7 per cent of the time.

### LOOKING FORWARD

#### NATIONAL VEHICLES OF INTEREST REPLATFORM

During 2016–17 we undertook the planning for a project to move the National Vehicles of Interest System from the current ageing mainframe to our preferred platform, and increase capacity of the system to meet current and future demand of partner agencies. Starting in August 2017, this project is expected to take 18 months.

#### NATIONAL EXCHANGE OF VEHICLE AND DRIVER INFORMATION SYSTEM

Following the National Vehicles of Interest Replatform, we will consider enhancements to the National Exchange of Vehicle and Driver Information System hosted by Austroads, to provide supplementary vehicle information to police and improve the search functions, allowing greater flexibility.

## FRONTLINE SERVICES—DRUGS

### NATIONAL CLANDESTINE LABORATORY DATABASE

This national repository of data and intelligence is available to all Australian law enforcement and forensic agencies to capture and share information about seized clandestine laboratories. In recent years, we have made this database more user-friendly by upgrading its software and improving system usability. However, we have not yet fully realised the benefits that could be yielded from this system, due to low levels of use by our partner agencies.

During 2016–17 this database was available 99.9 per cent of the time.

## LOOKING FORWARD

### NATIONAL ELECTRONIC END USER DECLARATION

We commenced work on the National Electronic End User Declaration project in March 2017. The first stage is to gather requirements and approach the market for a solution.

Buyers must complete an end user declaration when ordering controlled chemicals and equipment, stating that they will not be used in the manufacture of illicit drugs. Our business case for a National Electronic End User Declaration proposes a new electronic service to manage the current paper-based handling of end user declarations. This supports recommendation 29 of the *Final report of the National Ice Taskforce 2015*.

The new system will alert police to potentially suspicious sales of precursor chemicals and/or equipment that could be diverted to illicit drug manufacture, helping police to reduce the supply of illicit drugs.

Legislative change in each state and territory is required before the system can be fully implemented. Work to align the legislation has commenced and is occurring in parallel to the project.

## CYBERCRIME REPORTING SERVICES

### AUSTRALIAN CYBERCRIME ONLINE REPORTING NETWORK (ACORN)

We host and administer the ACORN, which:

- helps police and other law enforcement agencies gather valuable data about cybercrime
- enhances the national picture of cybercrime
- contributes to improved responses across Australia.

The ACORN is a joint initiative between the ACIC, the Attorney-General's Department and all Australian police agencies.

Through the ACORN people can easily report instances of cybercrime. The website also provides advice to help people recognise and avoid common types of cybercrime.

The ACORN helps to make Australia a harder target for cybercriminals by enhancing national understanding to inform prevention and disruption of future criminal activity.

For example, this year our analysis of information reported to the ACORN helped to identify and shut down a fake trader website scam in Queensland (see the Feature on page 136).

During 2016–17 the ACORN:

- attracted 240,324 visitors
- received 47,873 reports
- was available 98.8 per cent of the time.

Scams and online fraud were the highest reported incidents (51 per cent), followed by incidents related to online purchase or sale (20 per cent), cyberbullying or stalking (seven per cent), attacks on computer systems (six per cent), illegal or prohibited material (three per cent), and offending against children (two per cent). The remainder (11 per cent) fell into the 'other' category.



## FEATURE: UNCOVERING FAKE TRADER WEBSITE SCAM

### THE VALUE OF ANALYSING ACORN DATA

During 2016–17 a significant number of Queenslanders fell victim to a fake trader website scam. The websites lured victims by advertising items such as BBQs, outboard motors, air conditioners and gym equipment for sale at heavily reduced prices, in return for cash payment.

The victims made cash payments, but the goods were not delivered. The total losses reported to the ACORN exceed \$340,000.

Through analysing ACORN data we were able to link more than 25 fake trader websites and 10 bank accounts to a criminal enterprise. As a result, in June 2017, Queensland Police Service launched Operation Papa Caffeine to investigate the scam. Queensland police worked with hosting agencies to take down the websites, and asked for public assistance to identify several people identified in CCTV footage. Police also encouraged anyone who had fallen victim to the scam to report the matter to the ACORN.

In June 2017, police arrested two foreign nationals, a 27-year-old man and a 25-year-old woman, in Brisbane. The pair was charged with multiple offences including fraud and money laundering.



## LOOKING FORWARD

### REPORTING NETWORK IMPROVEMENTS

This year we continued working on a business case detailing improvements to the ACORN for both public and law enforcement users.

This project is expected to improve:

- information on the ACORN website
- user experience
- recognition and referral of non-cybercrime incidents
- information available to police
- user reporting functions
- international referrals.

## BIOMETRIC AND FORENSIC SERVICES

Police across Australia use our biometric services to help solve crime and keep our community safe. These include the National Automated Fingerprint Identification System, National Criminal Investigation DNA Database, and the National Missing Person and Victim System. We are also planning improved Biometric Identification Services and a National DNA Investigative Capability.

### NATIONAL AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM

Australian police use this system to identify individuals by establishing a person's identity from fingerprint and palm impressions or prints. The Department of Immigration and Border Protection also uses the National Automated Fingerprint Identification System to support Australia's migration program.

The system helps solve crimes by matching crime scene prints. It also enables near real-time uploads of finger and palm prints from crime scenes, helping police identify suspects in minutes.

This system includes 8.18 million print sets of 4.75 million people. It includes prints and corresponding information taken in controlled situations usually by police or immigration authorities, and unknown prints recovered from crime scenes.

During 2016–17:

- 90,729 crime scene prints were identified
- 465,112 people were added to the system
- 1.47 million searches were conducted
- the system was available 99.5 per cent of the time.

## LOOKING FORWARD

### BIOMETRIC IDENTIFICATION SERVICES

When completed, the new Biometric Information Services (BIS) platform will significantly enhance police and law enforcement capability regarding biometrics and demographic information. The BIS platform will deliver:

- **BIS PRINT:** This will replace and upgrade the National Automated Fingerprint Identification System, which contains more than eight million records. BIS PRINT will provide enhanced matching capability and Rapid ID for identification services in the field.
- **BIS FACE:** This will be the national facial recognition platform for all law enforcement partners, providing a common platform for images stored within multiple jurisdictions, as well as quality control, demographic searches, face searches and photobooks.
- **BIS FUSION:** Law enforcement partners will be able to match face and finger biometrics for individuals, across state and territory boundaries.

These enhancements will increase the range and type of biometric data captured from crime scene evidence, improve national searching and the speed with which offenders can be identified and crimes can be resolved using biometric evidence. BIS will also ensure consistency with national standards, improve efficiency of onshore and offshore visa processing, and increase capability to detect and prevent fraud.

### ENHANCED BIOMETRICS AT THE BORDER

To support the Department of Immigration and Border Protection (DIBP), we are assisting with its development and operational deployment of an enhanced Biometrics at the Border capability. The capability aims to enhance identity determinations and border security processes at Australia's border. DIBP forward planning will determine the future of this project.

### NATIONAL CRIMINAL INVESTIGATION DNA DATABASE

This database helps solve crimes by linking DNA profiles from crime scenes with persons of interest, and excluding innocent people. It also allows police to match profiles of two or more unsolved crime scenes, linking previously unrelated investigations.

The database includes more than one million DNA profiles from samples collected by Australian police from crime scenes, convicted offenders, suspects, items belonging to missing persons and unknown deceased persons.

During 2016–17:

- 36,442 crime scene to crime scene links were identified
- 99,685 profiles were added to the database
- 52,051 crime scene to person links were identified
- the system was available 99.6 per cent of the time.

## LOOKING FORWARD

### NATIONAL DNA INVESTIGATIVE CAPABILITY

Enhanced DNA capability will help police solve crimes and identify victims by providing more sophisticated kinship and familial DNA matching. This will enable police to link DNA evidence and establish biological relationships between individuals. The enhanced DNA capability will build on our existing National Criminal Investigation DNA Database, which allows police to link DNA profiles across Australia's state and territory borders for criminal purposes, disaster victim identification and unidentified human remains.

During 2016–17 we continued work on implementing a forensic software product that will support the outcomes of this project. Some integration issues have delayed this project from its original delivery timeline, however, these have been rectified and delivery is scheduled for late 2017.

### NATIONAL MISSING PERSON AND VICTIM SYSTEM

This system helps police identify missing persons by enabling them to search data on long-term missing persons, unidentified human remains and disaster victim identification.

An estimated 38,000 people are reported missing each year in Australia. The web-based National Missing Person and Victim System manages both ante-mortem and post-mortem data, with supporting technology for two services:

- Disaster Victim Identification system—used to process and manage data on human remains, used to identify victims of major accidents and disasters.
- Missing Persons and Unidentified Bodies database—entries include details of missing persons, used in day-to-day work with missing persons and unidentified bodies.

During 2016–17:

- 1,097 entries were added:
  - 762 ante-mortem records
  - 335 post-mortem records
- the system was available 99.9 per cent of the time.

## PROTECTION SERVICES

Police use our child protection services to help identify and manage offenders against children, helping to protect children at risk. This includes the National Child Offender System, the Child Exploitation Tracking System, the National Child Offender System Data Provision and Consumption Project and the upcoming Child Exploitation Material Management System.

## NATIONAL CHILD OFFENDER SYSTEM

This system helps police protect the community by enabling them to uphold child protection legislation in their state or territory. This web-based application allows Australian police to record and share child offender information. It directly enables police in each state and territory to manage key information to meet their requirements under respective child protection legislation. The National Child Offender System includes the Australian National Child Offender Register and the Managed Person System.

During 2016–17 this system was available 99.6 per cent of the time.

### NEW CAPABILITY DELIVERED

#### NATIONAL CHILD OFFENDER SYSTEM DATA PROVISION AND CONSUMPTION

During 2016–17 we enhanced the National Child Offender System to make it more usable and efficient for police, by delivering the National Child Offender System Data Provision and Consumption Project.

This removes the need for police to manually re-enter data between local child offender systems and the National Child Offender System. Re-entering data manually is error prone and resource intensive for police agencies.

Police agencies can now upload and share their offender case information more easily, enriching and ensuring currency of the data stored in the National Child Offender System. This project also enables easier and more automated exports of National Child Offender System data for use within police agencies.

## CHILD EXPLOITATION TRACKING SYSTEM

This system provides a capacity to identify children at risk of sexual abuse and enable timely intervention strategies for victims. The Child Exploitation Tracking System is a joint venture between the ACIC and the Australian Federal Police.

During 2016–17 this system was available 100 per cent of the time.

### LOOKING FORWARD

#### REVIEW OF CHILD EXPLOITATION TRACKING SYSTEM

Due to the age of this system and the changing environment, we will be determining the needs and priorities of our stakeholders to evaluate whether this system still meets business requirements.

## VIOLENT AND SEXUAL CRIME DATABASE

This database is used to capture information about violent and sexual crime. Its analytical tools allow specially trained analysts to complete behavioural comparative case analysis to identify serial offenders at the earliest opportunity.

During 2016–17 this system was available 100 per cent of the time.

### LOOKING FORWARD

#### REALISING MORE BENEFITS FROM OUR MERGE

We will consider how it might be possible to realise further benefits of our merge, which brought together analytical capability and policing information systems and services.

Victim crime, including crimes against the person such as serious serial crime, is one area we are looking into, to see if we can provide new, connected intelligence and information services that have potential to deliver greater benefits to protect the community from this type of crime.

## NATIONAL SYSTEM FOR SHARING DOMESTIC VIOLENCE INFORMATION

Currently there is no national system that enables sharing of information about domestic violence orders (DVOs) between courts and police in Australia. Each jurisdiction manages domestic and family violence proceedings using different information and data capture systems. Police may be able to access limited information about protection orders in other jurisdictions through current systems, but courts cannot.

As part of the *National Plan to Reduce Violence against Women and their Children 2010–2022*, endorsed by the Council of Australian Governments, all Australian governments committed to developing a national DVO scheme. The states and territories are in the process of enacting legislation to give effect to model laws (uniform laws that may be adopted by the states and territories,) so that an order made in one jurisdiction is automatically recognised in all others.

### LOOKING FORWARD

#### INTERIM ORDER REFERENCE SOLUTION

In preparation for the national DVO scheme, we have built an interim solution, to improve information sharing about DVOs between police and courts. The interim solution will support implementation of the national DVO scheme, which we expect will come into force in late November 2017. The interim solution will remain in place until the full national technical capability is developed.

The Interim Order Reference Solution project is leveraging our existing National Police Reference System to provide courts with information about DVOs created in other jurisdictions, through a new web portal.

## NATIONAL ORDER REFERENCE SYSTEM

The interim solution will be replaced with the National Order Reference System. We are developing this national technical capability to share DVOs between police and courts across Australia. The new system will underpin the national DVO scheme, where an order made in one jurisdiction is automatically recognised in all others. The national system will enable courts and police in all states and territories to enforce all new DVOs, regardless of the jurisdiction in which they were issued. This will improve the safety of both protected people and police.

We plan to deliver the National Order Reference System in late 2019.

## SYSTEMS MAINTENANCE

As well as delivering the range of information systems and services, we also undertake regular maintenance of the underlying supporting infrastructure.

During 2016–17 we began consolidating infrastructure as a consequence of our merge, working towards common technical platforms.

We also pursued a program to upgrade our systems that need to be moved from an ageing mainframe. Examples of current services that will benefit from this move include our name matching functionality, National Vehicles of Interest and firearm systems.

### *Information systems and services summary performance scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Help our partners by: <ul style="list-style-type: none"> <li>▪ providing them with systems and services sharing intelligence and information, policing and other relevant information</li> <li>▪ connecting partners to us and each other</li> </ul>	Provide police with accessible, used and reliable to protection services related to child protection and domestic violence.	✓			✓
		Achieved	Not applicable to this criteria	Not applicable to this criteria	Achieved

# CRIMINAL INTELLIGENCE SYSTEMS AND DATABASES

We provide secure network access for partners to a range of analytical tools and criminal intelligence holdings to help prioritise and focus resources against serious and organised crime and protect the community.

## AUSTRALIAN LAW ENFORCEMENT INTELLIGENCE NETWORK

The Australian Law Enforcement Intelligence Network (ALEIN) is the secure extranet that provides a gateway for our partners to access our various intelligence databases and services. ALEIN is also a secure messaging channel for sharing criminal information and intelligence between Commonwealth, state and territory partners.

We publish our intelligence assessments to our ALEIN desks. Our partners can access intelligence products stored within a 'desk' based structure, which is a web-like environment, providing access to the latest ACIC intelligence products.

There are currently 27 international, Commonwealth, state and territory law enforcement agencies connected to ALEIN.

During 2016–17:

- the number of active ALEIN users was 3,841 compared with 3,320 in 2015–16
- we facilitated 10,504 visits to 751 intelligence desks within ALEIN.

During 2016–17 this network was available 99.8 per cent of the time.

## AUSTRALIAN CRIMINAL INTELLIGENCE DATABASE

The Australian Criminal Intelligence Database (ACID) is Australia's national criminal intelligence and information system, which is mandated in section 7A(a) of the ACC Act. It includes intelligence we collect and collate as well as intelligence uploaded by our partners. ACID provides 25 Commonwealth, state and territory law enforcement agencies and other regulatory authorities with the ability to securely share, collate and analyse criminal information and intelligence nationally.

ACID offers analysts and investigators functionality and tools to assist with identifying, analysing and sharing critical pieces of information including new criminal trends, emerging methodologies, links between crime groups and cross-border criminal activities.

However, ACID is more than 30 years old and we are working on a replacement system (see National Criminal Intelligence System on page 144). At the same time, it is important that we maintain ACID services, including stabilising and strengthening the existing systems and infrastructure.



During 2016–17:

- there were 286,569 uploads to ACID
- we created 1.49 million new entities (uploaded intelligence reports may contain details of one or more entities such as names, addresses and other specific information)
- we facilitated 2,058 active users of ACID
- there were 319,246 ACID searches.

## NATIONAL CRIMINAL INTELLIGENCE SYSTEM

We concluded the NCIS Pilot Program on 30 June 2017, after three successful releases to partner agencies to test concepts related to the system's capability.

The pilot began on 1 July 2015, with \$9.799 million over two years funding under the *Proceeds of Crime Act 2002*.

The NCIS Pilot Program attracted more than 11,000 searches across more than 600 million available records and demonstrated that we can realise real-world benefits from improved information and criminal intelligence sharing.

In particular, the ability to quickly search for and use previously unshared police data proved valuable to the agencies participating in the pilot. For example, NCIS checks revealed information from Australia that helped lead to the arrest and sentencing of an international cybercriminal in the United Kingdom, who had used malware to fraudulently remove \$700,000 from an Australian business bank account (see the Feature on page 145).

NCIS has enabled deconfliction between law enforcement agencies, reducing potential for the doubling up of investigations. For example, in one case an analyst from a Commonwealth agency and an analyst from a state policing agency both searched the NCIS pilot system for the same person of interest. The deconfliction alert enabled the two analysts to get in touch and collaborate on their investigations into the person of interest, reducing duplication of effort.

### LOOKING FORWARD

#### NCIS CONNECTIVITY TRIALS

We are seeking funding for a full NCIS capability to provide a federated intelligence and information sharing platform for collaboration and intelligence sharing with partners. This will include common and improved analytical tools, near real-time monitoring, deconfliction, alerts and indicators, and effective management tools to support activities such as tasking and reporting. The aim is to satisfy common, critical needs of intelligence analysts, investigators, front line officers and community policing stakeholders.

In the interim, we will conduct connectivity trials while maintaining partner agency access to the pilot system. This includes piloting and addressing security, connectivity, cultural and legal issues.

## FEATURE: PILOT PROGRAM PROVES VALUE OF A NATIONAL CRIMINAL INTELLIGENCE SYSTEM

### NCIS PILOT DELIVERS REAL-WORLD, OPERATIONAL VALUE FOR PARTNERS

The NCIS Pilot Program has demonstrated the value of a national criminal intelligence and information capability that transcends agency and jurisdictional boundaries.

The pilot involved 20 Commonwealth, state, territory, and international law enforcement, law compliance and regulatory agencies. Users included intelligence practitioners, investigators, managers and frontline law enforcement personnel.

The pilot operated in an artificial sharing environment with users having access to limited, point-in-time data comprising more than 600 million available records within five key national datasets.

### BENEFITS TO PARTNER AGENCIES

Benefits delivered to participating agencies during the pilot included more informed risk assessments that enhanced officer safety, improved efficiency in discovering information and intelligence, deconfliction and greater collaboration across agencies, improved access to and awareness of existing and new criminal intelligence and information, better understanding of criminality and associations for persons of interest, and new lines of inquiry for investigators. As a result, partner agencies committed increasing levels of data and resources over the life of the pilot program.



## ♀ REAL-WORLD RESULTS

As an example of results to date, the Joint Counter Terrorism Team received a short-notice referral of a potential terrorist threat to public safety in Melbourne over the 2016 Christmas period. When the nature of the threat changed and the need to move on search warrants and arrests was unexpectedly brought forward, investigators were able to use NCIS to check details for persons of interest in a much shorter timeframe than would have otherwise been possible.

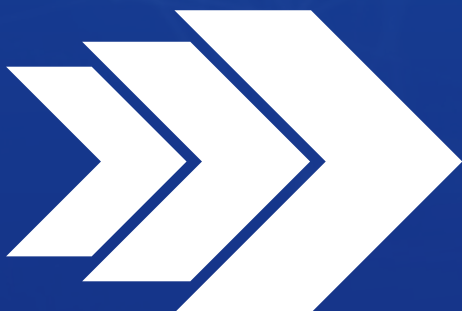
Another example involves a cybercrime investigator who was pursuing the removal of \$711,000 from an Australian business due to a malware compromise. The person of interest who received the funds was known to have opened nine separate bank accounts while in Australia. A short time later, they returned to the United Kingdom where they purchased expensive jewellery and cars. Using the pilot NCIS, the investigator discovered records showing the person of interest had been charged with fraud-related offences before leaving Australia. NCIS information also showed a convergence between a victim's report on the ACORN (see page 135) and the arrest of an associate of the person of interest, who had received funds from a malware compromise. Information from the victim's financial institution was provided to the United Kingdom authorities as context. The person of interest was charged in the United Kingdom and sentenced to two years, eight months' imprisonment.

### LESSONS LEARNT

The pilot program confirmed that access to real-time data is critical to prevent and respond to criminal and national security threats.

Other important findings from the NCIS pilot include the need for agencies to commit to business transformation to overcome broader non-technical issues and change the way they share, access and use information.

The pilot also confirmed that a protected cloud environment, with shared information managed by a federated security model, is required to enable partner agencies to share information nationally while continuing to operate their local systems.



## AUSTRALIAN PRIORITY ORGANISATION TARGET LIST

This year we developed the Australian Priority Organisation Target list, focusing on offshore targets impacting Australia. This list informs traditional and innovative disruption methods. See details on page 101.

## NATIONAL TARGET SYSTEM

This secure online data repository contains information on nationally significant organised crime groups (criminal targets). Australian law enforcement and other government agencies, including international law enforcement partners, contribute to this system. Our Australian and New Zealand law enforcement partners, and prescribed regulatory agencies, can access the system online. The National Target System houses both the National Criminal Target List and the National Gangs List.

## NATIONAL CRIMINAL TARGET LIST

We maintain the National Criminal Target List, which details the risk posed by Australia's nationally significant serious and organised crime targets, including offshore networks actively targeting Australia. Analysis of the list informs strategic decisions directing resources towards the targets posing the highest level of threat and risk. It also informs major policy initiatives.

Keeping this list updated, for example through regular content reviews, enables collective efforts to concentrate on discovering and understanding serious and organised crime groups that present the highest risk to the Australian community.

Australian and New Zealand law enforcement agencies and relevant regulatory bodies contribute to the list using a consistent threat and risk assessment methodology. Having a contemporary national list helps develop a clear national picture of the threat and risk associated with serious and organised crime targets operating in Australia.

We make the National Criminal Target List available to partners via the National Target System.

During the coming year we will review the way we use the National Criminal Target List. This will take account of the development this year of the Australian Priority Organisation Target list, which focuses on offshore targets impacting Australia (see page 101).

## AUTOMATED ALERTING SERVICE

Through Project Rosencrantz (see page 102) we provide our partners with an automated alerting service through the National Target System. This capability provides near real-time advice on the activities of criminal targets and promotes opportunities for further intelligence development and investigative activity.

## NATIONAL GANGS LIST

We maintain a secure, validated and nationally agreed list of OMCG members. The National Gangs List is the first nationally accessible database containing gang and membership details for 38 Australian-based 'one percenter' OMCGs (the one per cent of motor cyclists who see themselves as operating outside the law, as opposed to the other 99 per cent who operate within the law).

The National Gangs List is consolidated, current and contextualised to enable tailored analysis of OMCG information by law enforcement partners and other Commonwealth agencies. The AGICC played a critical role in its development, delivery, implementation and enhancement, as well as providing ongoing support. See more on the AGICC on page 94.

The National Gangs List is linked to the National Criminal Target List and shares functionality including automated alerting.

State and territory police contribute to the National Gangs List and are responsible for data currency and accuracy. The AGICC ensures that the data is maintained, enhanced and accessible, while the main external decision-making body is the National OMCG Managers Group, which includes representatives of state and territory police as well as Commonwealth bodies including the Australian Federal Police, Department of Immigration and Border Protection, Australian Taxation Office and the ACIC.

## GANGS INTELLIGENCE HUB

The Gangs Intelligence Hub is our central and secure hub of OMCG and criminal gang information and intelligence. It supports the capability to share information among partner agencies about gang activity in Australia and overseas. It is accessible to Commonwealth, state and territory partners. The Gangs Intelligence Hub and the National Gangs List are key gang-related capabilities we have developed to support national understanding, strengthen intelligence sharing and counter gang related crime.

## OTHER DATABASES

We also manage the:

- Violent and Sexual Crime Database (see page 141)
- National Clandestine Laboratory Database (see page 134).

### *Criminal intelligence holdings summary performance scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Help our partners by: <ul style="list-style-type: none"> <li>▪ providing them with systems and services sharing intelligence and information, policing and other relevant information</li> <li>▪ connecting partners to us and each other</li> </ul>	Share increased volume, breadth and formats of criminal intelligence, police, information and other relevant information.	✓		✓	
		Achieved	Not applicable to this criterion	Achieved	Not applicable to this criterion

# CRIMINAL HISTORY CHECKS

We maintain the National Police Checking Service that enables Australian police agencies and accredited bodies to submit nationally coordinated criminal history checks. This enhances the safety of the community by helping to ensure the integrity of people placed in positions of trust.

## NATIONAL POLICE CHECKING SERVICE

The National Police Checking Service assists organisations to screen and make informed decisions about people who are:

- applying for employment positions, including volunteers
- working with children or vulnerable groups
- applying for work-related licensing or registration schemes
- requiring work-related checks due to national security, legislation or regulations
- applying for Australian citizenship and visas.

These nationally coordinated criminal history checks provide additional information in an assessment process to lower the risk of appointing an unsuitable individual to a position of trust. We manage the process and provide the system through which Australian police agencies and accredited bodies submit nationally coordinated criminal history checks. We do not receive applications or submit checks directly on behalf of individuals.

More than 244 accredited bodies used the National Police Checking Service, including government agencies, private sector businesses, not-for-profit organisations and screening units responsible for the assessment of people who apply to work with children or vulnerable people.

There was a 9.9 per cent increase in the total number of nationally coordinated criminal history checks submitted in 2016–17, compared with 2015–16.

During 2016–17:

- 4.75 million checks were processed
- 1.42 million checks were referred to our police partners for further assessment—police services determine what information is disclosable, in line with their spent convictions legislation and/or information release policies
- 24 new bodies were accredited
- 97.2 per cent of standard checks were processed within 10 business days and 93 per cent of urgent checks were processed with five business days
- the service was available 99.3 per cent of the time.

## LOOKING FORWARD

### FUTURE OPERATING MODEL FOR CRIMINAL HISTORY CHECKS

In 2016–17 we engaged an independent, external consultant to develop a future operating model for the National Police Checking Service. The model was developed through wide consultation within our agency, and with police partners and other stakeholders. The aim is to ensure the future service will maximise community safety, be responsive to changing government and community needs, and be financially sustainable. The ACIC Board began considering the principles of the model in June 2017.

#### *Criminal history checks summary performance scorecard 2016–17*

AIM	HOW WE ACHIEVED THIS AIM	CONTRIBUTION TO OUR PERFORMANCE CRITERIA			
		CONNECT	DISCOVER	UNDERSTAND	RESPOND
Help our partners by: <ul style="list-style-type: none"> <li>▪ providing them with systems and services sharing intelligence and information, policing and other relevant information</li> <li>▪ connecting partners to us and each other</li> </ul>	Provide police with accessible, used and reliable to protection services related to criminal history checks.	✓			✓
		<b>Achieved</b>	<b>Not applicable to this criterion</b>	<b>Not applicable to this criterion</b>	<b>Achieved</b>