



We are Australia's national criminal intelligence agency with investigative and information delivery functions.

Section 1

Agency overview

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Chief Executive Officer's review

Michael Phelan APM

During 2019–20, my focus remained on strengthening our relationships within the National Intelligence Community and responding to the criminal risks facing Australia, through our criminal intelligence capability, national criminal intelligence, national policing information services and National Police Checking Service (NPCS).



Amendments that were made in December 2019 to the *Australian Crime Commission Act 2002* (ACC Act) have changed how the ACIC Board authorises us to undertake special investigations and special operations. The legislative changes validated existing special investigations and special operations in relation to serious and organised crime, allowing us to continue to contribute to a safer and more secure Australia.

Priority targets

The Australian Priority Organisation Target (APOT) list details the top international and transnational targets that play a significant role within Australia's serious and organised crime environment. We have coordinated operational activities with Australian and international partner agencies to cause maximum global and local disruption of APOT networks.

Over the past year, the APOT strategy saw unprecedented levels of cooperation between partner agencies, including those from the law enforcement, national intelligence, regulation and public integrity communities. Since October 2019, agencies have collaborated on 15 APOT disruption strategies, resulting in the disruption of five APOT networks.

National Criminal Intelligence System

The development of the National Criminal Intelligence System (NCIS) progressed throughout 2019–20. This important national capability will give Australia's law enforcement and intelligence agencies the first truly national and unified picture of criminal activity.

The foundations of the system focus on frontline services and aim to improve officer safety by providing a national view of crime. NCIS will provide targeted, timely, relevant, prioritised national policing information, improving our ability to work together across jurisdictions and agencies.

We are now working in close collaboration with the Department of Home Affairs, which has come on board as our senior supplier. In 2019–20, we completed two test builds which demonstrated the immense potential of NCIS. Using existing

National Police Reference System data, NCIS has already made over seven million correlations across records of persons of interest nationally. This has enabled officers to have a unified view of an individual's reference information across all jurisdictions for the first time.

To be successful, NCIS relies on the active involvement of multiple partners across state, territory and Commonwealth law enforcement and intelligence agencies. Our work with partners during the year has readied NCIS for real-world use by frontline officers as agencies are progressively onboarded during 2020–21.

IT improvements

In late 2019, our Technology Division moved to a new operating structure, in order to build a sustainable and professional workforce and support our staff in meeting the needs of our partner agencies. The model aligns closely with the models designed by the Digital Transformation Agency, the Home Affairs portfolio and the Australian Public Service Commission to build digital capability across the public service and support agencies to deliver services that meet the Australian Government's Digital Service Standard.

We worked on a number of system upgrades throughout the year, installed replacement hardware for the National Automated Fingerprint Identification System, successfully upgraded elements of the National Child Offender System platforms, and established a 24-hour on-call capability for national policing information systems.

We also completed major upgrades and enhancements to the Australian Firearms Information Network systems and infrastructure, and delivered and rolled out the Compliance Management System—Surveillance Devices and the Assumed Identities Management System.

The NPCS enhances the safety of the community by providing accurate and timely police information that helps organisations to make informed decisions about the suitability of applicants for a range of employment, registration, licensing and other entitlements. Looking forward, we have a project underway to enhance the NPCS Support System, which is the system used to submit and process checks. The project will deliver necessary security and technical improvements, as well as enhanced business functionality, to ensure that the NPCS operates more effectively, efficiently and accurately into the future.

Training

We continued to deliver our core and specialist criminal intelligence training programs in 2019–20, as part of the Criminal Intelligence Training and Development Continuum (CITDC). The CITDC provides a structured learning pathway for our staff in intelligence collection and analysis roles, providing formal training and nationally recognised qualifications.

Composed of a number of interrelated training programs and learning modules, the CITDC continues to develop a high-performing criminal intelligence workforce for us and our partners. Of note this year, we focused on developing specialist tradecraft through the delivery of our human source training, intelligence systems training and intelligence analysis program.

Given the impact of COVID-19, we transitioned many of the training programs to remote delivery to ensure that our staff remained engaged in learning, and reviewed and redeveloped our core programs to ensure that they continue to represent best practice.

Pandemic response

The year 2020 has brought with it significant challenges. I am proud of the agility our agency has shown in responding to the COVID-19 pandemic, and of the way we have operated. Our Technology Division was able to work quickly to ensure that we had remote working infrastructure and support systems enabled for the agency within days, with no disruption to the services we provide to our partners.

Not only have we continued to deliver on our core functions, we have also pivoted our business to deliver high-quality strategic intelligence assessments of the impacts that COVID-19 is having on the criminal environment.

In 2019–20, we released three reports (numbers 8 to 10) of our successful wastewater drug monitoring program. Leveraging this program, we were able to fund a wastewater analysis ‘proof of concept’ project which successfully detected—for the first time in Australia—the SARS-CoV-2 (COVID-19) virus in wastewater in a number of locations.

Looking forward

The ACIC will continue to focus on making Australia hostile to criminal exploitation. Our strategic priorities are to be the criminal intelligence partner of choice, to provide comprehensive policing information to our partners, to keep the community safe, and to deliver a sustainable agency into the future.

The way that we responded to the challenges of the past year has only bolstered my confidence in our agency’s ability to deliver on these commitments and provide a service of value to our law enforcement and intelligence partners.



Michael Phelan APM
Chief Executive Officer
Australian Criminal Intelligence Commission

About us

The ACIC has a vision of a safer Australia that is better connected, informed and capable of responding to crime.

We work with our partners on investigations and to collect intelligence to combat serious and organised crime, cybercrime and national security threats. We are the conduit for sharing criminal information and intelligence between all state, territory and Commonwealth law enforcement agencies.

We began operating on 1 July 2016. The ACIC is a statutory agency within the Home Affairs portfolio, in which the Department of Home Affairs is the central policy department.

Purpose

Our purpose is to make Australia safer through improved national ability to discover, understand and respond to current and emerging crime, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.

Role

We are uniquely equipped as Australia's national criminal intelligence agency with investigative and information delivery functions. Our role includes reducing serious and organised crime threats of most harm to Australians and the national interest and providing national policing information systems and services.

To perform our role and achieve our purpose, we work closely with national and international partners to:

- ▶ collect, correlate, analyse and disseminate criminal information and intelligence
- ▶ maintain a national database of criminal information and intelligence
- ▶ provide and maintain national information capabilities and services to support policing and law enforcement
- ▶ provide strategic criminal intelligence assessments and advice on national criminal intelligence priorities
- ▶ conduct investigations and intelligence operations into federally relevant criminal activity
- ▶ provide nationally coordinated criminal history checks.

Approach

Our strategic and corporate plans are framed around four key elements:

- ▶ **Discover**—We generate and collect intelligence about new and emerging serious and organised crime. We integrate and analyse all available information to discover new crime threats.
- ▶ **Understand**—Our role as the national criminal intelligence hub enables us to create a full and enriched national picture of crime. Our strategic intelligence assessments and insights inform national decision-making on crime.
- ▶ **Respond**
 - **Prevent**—Our information services inform and protect police, the community and potential victims of crime. We work with our partners to make it harder for criminals to operate by informing legislative change and preventative strategies.
 - **Disrupt and protect**—We provide critical intelligence contributions to partners that drive the disruption, disabling and dismantling of serious and organised criminal enterprises. We provide police with timely access to police information when they are investigating crime and safeguarding the community.
- ▶ **Connect**—We are a conduit between the states and territories and Commonwealth for the sharing of criminal information and intelligence. We facilitate deconfliction and collaboration among partners. We develop and maintain innovative national information and intelligence sharing services.

Culture and values

We promote a culture that strives for excellence, enables personal and professional growth, values workplace diversity, models respectful behaviour, and achieves agency unity through collaboration and inclusiveness.

We value our professionally diverse people as our greatest asset. We engage with each other and our stakeholders ethically, and with integrity and respect. We are capable, agile, innovative, adaptable and service focused.

We are committed to the Australian Public Service values of being impartial, committed to service, accountable, respectful and ethical.

Our organisation

The ACIC is a Commonwealth statutory agency, established under the *Australian Crime Commission Act 2002* (ACC Act) with roles and functions underpinned by supporting legislation in each state and territory.

Structure

Figure 1.1 sets out the organisational structure of the agency. Section 3 of the report provides more information on the members of our executive, our staffing and the locations of our activities.

Figure 1.1: Organisational structure at 30 June 2020



NCIS = National Criminal Intelligence System

* The ACIC Chief Executive Officer is also Director of the Australian Institute of Criminology.

Board

The ACIC Board is established by section 7B of the ACC Act. It represents Commonwealth, state and territory law enforcement, and key regulatory and national security agencies.

The board is responsible for providing strategic direction to the ACIC and setting strategic priorities. The board is also responsible for determining the ACIC's special operations and special investigations, which includes approving our use of coercive powers.

As a powerful law enforcement and national security body, the board provides a significant platform to drive the collegial approach necessary to make Australia better connected, informed and capable of responding to crime.

Specialist capabilities

The capabilities that enable us to perform our functions include:

- ▶ **National criminal intelligence data holdings**—We collect criminal intelligence and combine it with information and intelligence from partner agencies to create and share a comprehensive national picture of criminality in Australia.
- ▶ **National information and intelligence sharing services and systems**—We provide timely and reliable police and law enforcement information services and, through consultation and collaboration, we develop new and innovative capabilities.
- ▶ **Coercive powers**—We have coercive powers, similar to those of a royal commission, which may be exercised by an ACIC examiner in the course of a special operation or special investigation.
- ▶ **International collaboration**—We work in collaboration with international networks and have deployed ACIC officers to countries of strategic importance in our efforts to counteract serious and organised crime impacting Australia.
- ▶ **Strategic products**—Our strategic intelligence products build a comprehensive picture of criminality in Australia to support our partners in decision-making, strategic targeting and policy development.
- ▶ **National target management framework**—Our national target management framework guides law enforcement in establishing and sharing organised crime priorities and targets. This framework and our APOT list support nationally coordinated operational strategies for dealing with multijurisdictional and transnational serious and organised crime investigations.
- ▶ **Legislative framework allowing appropriate data sharing**—By sharing intelligence, information, resources and expertise with our partners, and with private industry where permitted and appropriate, we maximise the collective impact against crime. We are a conduit between the states and territories and the Commonwealth for the sharing of criminal information and intelligence.
- ▶ **Specialist technology and skills**—Our work is underpinned by sophisticated and tailored intelligence gathering and analysis capabilities.

ACIC examiners

ACIC examiners are independent statutory officers appointed by the Governor-General to exercise the coercive powers set out in the ACC Act for the purpose of board-approved special operations and special investigations.

An examiner may exercise coercive powers only for the purpose of a special operation or special investigation and when all legislative requirements are met, including that an ACIC examiner is satisfied that it is reasonable in all the circumstances to exercise those special statutory powers.

The ACIC currently has one full-time examiner and two part-time examiners, all of whom have extensive experience in the legal profession.

Relationship with the Australian Institute of Criminology

The ACIC supports and closely collaborates with the Australian Institute of Criminology (AIC), to ensure that criminological research and evidence remain central to law enforcement's collective response to crime. Our Chief Executive Officer is also Director of the AIC and the two agencies are co-located. While the AIC operates independently, its high-quality research is important to our work.

Our outcome

Our annual portfolio budget statements detail our outcome and program structure. Within that framework, the ‘outcome’ is the intended result, impact or consequence of our actions. We work towards our outcome through the activities that make up our program.

Our outcome and program structure is shown in Figure 1.2, along with its relationship to our *Strategic Plan 2018–23* and *Corporate Plan 2019–20*. Both plans and a link to our *Portfolio Budget Statements 2019–20* are on our website at <www.acic.gov.au/publications/corporate-documents>.

Figure 1.2: Portfolio, corporate and strategic performance framework

STRATEGIC PLAN	<p>PURPOSE: To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.</p> <p>APPROACH: We connect, discover and understand to improve the national ability to respond to crime impacting Australia.</p>
PORTFOLIO BUDGET STATEMENTS OUTCOME AND PROGRAM	<p>Outcome 1</p> <p>To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime threats, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.</p>
	<p>Program 1.1 Australian Criminal Intelligence Commission</p> <p>The ACIC will improve the national ability to respond to crime affecting Australia through the discovery and understanding of new and emerging crime threats—working with and connecting partners to build the picture of crime impacting Australia. The ACIC will respond to serious and organised crime threats by developing new prevention and disruption strategies that disable or dismantle criminal groups through collaborative enforcement, as well as informing and influencing regulations, policy or legislative responses that make Australia safe from crime threats. The ACIC will contribute to or lead nationally coordinated actions and activities through board-approved special investigations, special intelligence operations and joint task forces. The ACIC will provide high-quality national policing knowledge and information systems, and services that support the Australian policing community and will ensure controlled access to appropriate information, including by accredited third parties in relation to criminal history checks.</p>

Figure 1.2: Portfolio, corporate and strategic performance framework (continued)

CORPORATE PLAN PERFORMANCE OBJECTIVES	DISCOVER	UNDERSTAND	RESPOND	CONNECT
CORPORATE PLAN AND PORTFOLIO BUDGET STATEMENTS PERFORMANCE CRITERIA	<p>Discover 1: The picture of crime impacting Australia is improving because the ACIC is discovering crime threats, vulnerabilities, patterns, methods and trends previously unknown.</p>	<p>Understand 1: The understanding of the picture of crime impacting Australia is increasingly more comprehensive, integrated and relevant.</p> <p>Understand 2: The understanding of the picture of crime impacting Australia is increasingly used to influence strategies and responses to crime.</p>	<p>Respond 1: The ACIC better informs and influences collaborative efforts to harden the environment against crime.</p> <p>Respond 2: The ACIC is conducting collaborative investigations and intelligence operations, and producing intelligence with and for partners that is effective in disrupting, disabling and dismantling serious and organised crime.</p> <p>Respond 3: ACIC partners are better informed and enabled to undertake policing and community safeguarding activities through access to national information systems and services.</p>	<p>Connect 1: Existing ACIC systems and services are accessible, used and reliable.</p> <p>Connect 2: Through effective collaboration, enable the delivery and implementation of new and enhanced ACIC systems and services that satisfy the needs of stakeholders and users.</p> <p>Connect 3: The ACIC is sharing increasing volume, breadth and formats (mediums, platforms) of criminal intelligence and information, police information, and other relevant information.</p>

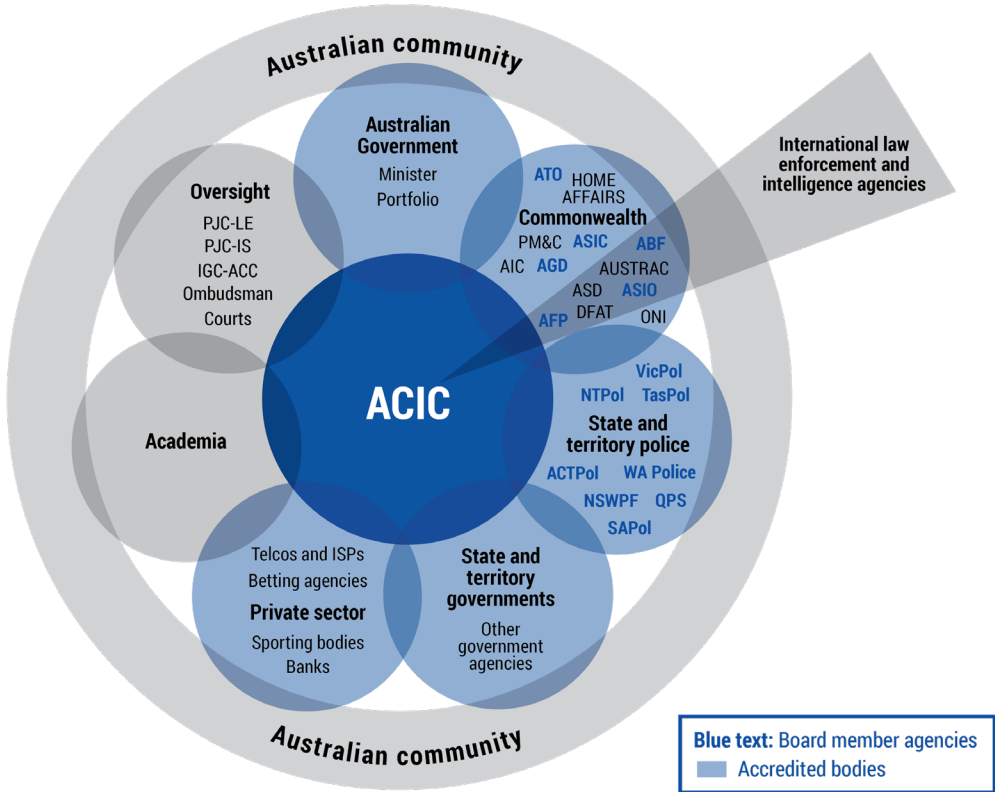
Our stakeholders

We work with a wide range of stakeholders to achieve a shared national outcome of a safer Australia, as shown in Figure 1.3. Our stakeholders include:

- ▶ **Australian community**—We undertake our activities in order to support and improve the safety of the Australian community, through generating and sharing intelligence about serious and organised criminal activity, supporting police partners to respond to crime, or providing information to support decision-making on entitlement or employment through the NPCS.
- ▶ **Australian Government**—We report to the Minister for Home Affairs and work within the Home Affairs portfolio to ensure that our response to serious and organised crime is coordinated across government.
- ▶ **Commonwealth agencies**—We leverage our unique position to link Commonwealth and state law enforcement and intelligence agencies. We generate intelligence that is shared among relevant Commonwealth partners to support responding to serious and organised crime in Australia. The heads of a number of Commonwealth agencies are members of the ACIC Board.
- ▶ **State and territory police**—We provide state and territory law enforcement agencies with information and services that support them to undertake their role. Each police commissioner is a member of the ACIC Board and provides strategic direction and oversight to our agency.
- ▶ **State and territory governments**—We generate intelligence that can be used by state and territory governments to close opportunities for criminal activity, strengthen regulations or directly disrupt criminal activity through court proceedings.
- ▶ **Private sector**—We rely on parties in the private sector to support the delivery of national police systems, act as accredited bodies and build relationships to support responses to the evolving criminal threats that Australia faces.
- ▶ **Academia**—The ACIC partners with established sources of scientific expertise within Australian academic institutions to ensure that we remain at the forefront of responding to serious and organised criminal threats to Australia.
- ▶ **Oversight bodies**—To make sure that we use our agency powers responsibly, effectively and in accordance with the law at all times, we are properly subject to significant external oversight.
- ▶ **International agencies**—We leverage our relationships with international law enforcement and intelligence agencies to support our response to serious and organised crime in Australia.

The ACIC has accredited certain organisations to help individuals apply for and submit police checks. These organisations are entrusted with direct access to the NPCS and play a vital role to help safeguard the Australian community. Accredited bodies include Australian Government agencies, private sector businesses, not-for-profit organisations and screening units for working with children or vulnerable people.

Figure 1.3: Stakeholders



ABF = Australian Border Force, ACTPol = Australian Capital Territory Policing, AFP = Australian Federal Police, AGD = Attorney-General's Department, AIC = Australian Institute of Criminology, ASD = Australian Signals Directorate, ASIC = Australian Securities and Investments Commission, ASIO = Australian Security Intelligence Organisation, ATO = Australian Taxation Office, AUSTRAC = Australian Transaction Reports and Analysis Centre, DFAT = Department of Foreign Affairs and Trade, IGC-ACC = Inter-Governmental Committee on the Australian Crime Commission, ISPs = internet service providers, NSWPF = New South Wales Police Force, NTPol = Northern Territory Police, ONI = Office of National Intelligence, PJC-IS = Parliamentary Joint Committee on Intelligence and Security, PJC-LE = Parliamentary Joint Committee on Law Enforcement, PM&C = Department of the Prime Minister and Cabinet, QPS = Queensland Police Service, SAPol = South Australia Police, TasPol = Tasmania Police, VicPol = Victoria Police, WA Police = Western Australia Police Force

Due to the collaborative nature of our work, our stakeholder relationships are critical to achieving our purpose. We regularly seek feedback from our stakeholders, and incorporate it into our performance measurement and ongoing stakeholder engagement. Key results and stakeholder comments are included in the annual performance statements in Section 2 of this report, and an overview of feedback in 2019–20 is in the 'Stakeholder research' section on page 78.

Australia's criminal environment

We operate in a complex environment. Understanding the dynamic and changing criminal environment is critical to determining how Australia responds. Our work is central to ensuring an informed, collaborative and connected national response to serious and organised crime impacting Australia.

The main features of serious and organised crime as it affects Australia are as follows:

- ▶ **Destructive, pervasive and complex**—Serious and organised crime touches the lives of Australians in unprecedented ways. Criminals seek to exploit vulnerabilities, emerging technologies and perceived gaps in law enforcement. The impacts on the lives of Australians are clear, including damage to families and communities, lost income, health and social impacts, and the erosion of public trust.
- ▶ **Globalised**—Around 70 per cent of Australia's serious and organised criminal threats are based offshore or have strong offshore links.
- ▶ **Big business**—Serious and organised crime has a significant financial impact. The Australian Institute of Criminology estimates that the cost of serious and organised crime to Australia in 2016–17 was up to \$47.4 billion, including \$31.5 billion in direct costs and \$15.9 billion in prevention and response costs.
- ▶ **Concealed**—Serious and organised criminals corrupt officials, employ professional experts to advise on complex methods and techniques, use violence and intimidation, and blend criminal activity with legitimate business to support and conceal their criminal enterprises.
- ▶ **Resilient**—Criminal groups are enduring and resilient, collaborating for mutual gain and quickly dispersing or shifting focus when disrupted.
- ▶ **Cyber-savvy**—Advances in technology have offered new opportunities for serious and organised crime, which uses increasingly sophisticated methods to counter law enforcement efforts. Cybercriminal groups can target thousands of Australians simultaneously from anywhere in the world. They enhance their capability through dark web forums and marketplaces in which they share tools, techniques and information.
- ▶ **National security threat**—Enhanced counter-terrorism efforts are being made throughout Australia, but the links between terrorism and broader organised crime and volume crime in Australia remain. This includes Australians who engage in organised crime to generate funds to support proscribed terrorist groups or to support individuals who depart Australia to engage in terrorist activities.
- ▶ **Diversified**—New forms of business are emerging in addition to traditional organised crime activities. This diversification into multiple criminal markets provides consistent revenue streams to finance higher risk ventures and enables criminal enterprises to respond to shifts in supply and demand.

This year the world has been challenged by the COVID-19 pandemic. Just like the rest of the community, those involved in serious and organised crime have been forced to adapt quickly in order to continue their operations. We have adapted in response, to continue to target them and share timely and relevant intelligence and information with our partners.