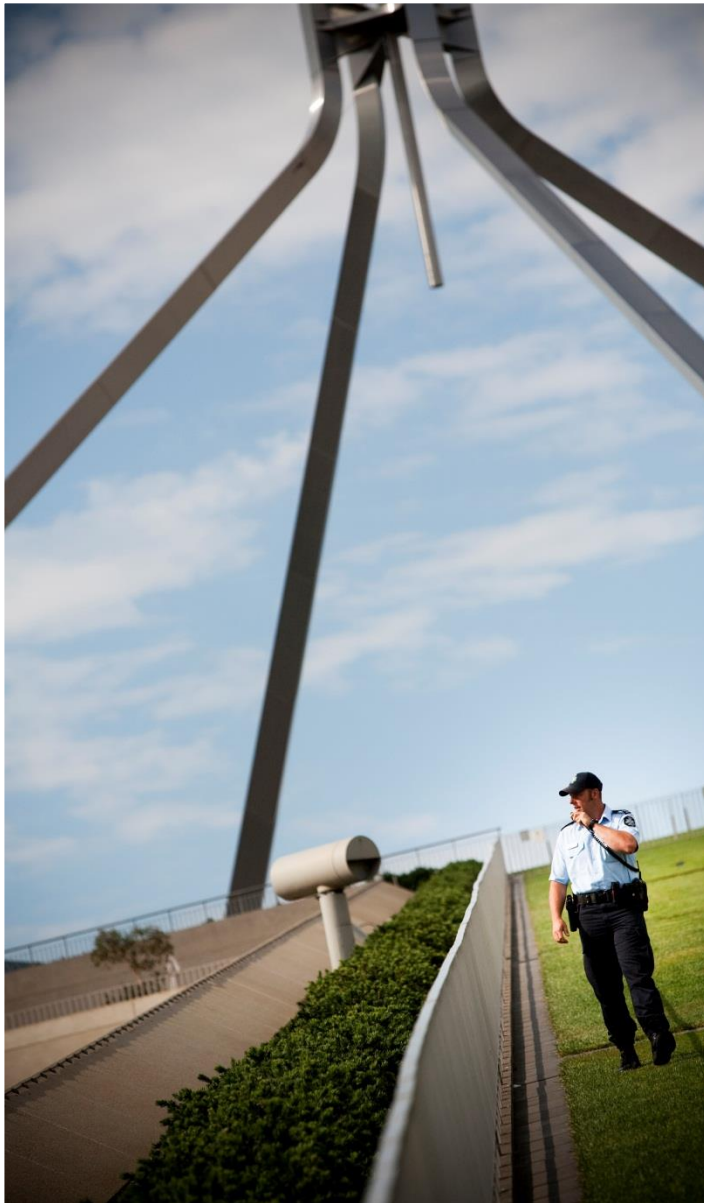


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Parliamentary
Joint Committee
on the Australian
Commission for
Law Enforcement
Integrity

Inquiry into the integrity of
Australia's border
arrangements

December 2016

Australian Federal Police Submission

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Introduction

The Australian Federal Police (AFP) welcomes the opportunity to make a submission to the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity (ACLEI) inquiry into the integrity of Australia's border arrangements.

In May 2015, the AFP lodged a submission to the previous inquiry to this matter.

This submission focuses on the addition of point (c) of the inquiry's terms of reference:

- (c) the shared work environment and the effectiveness of joint management arrangements at Australia's seaports and airports.

AFP Role

The role of the AFP is to enforce Commonwealth criminal law, contribute to combating organised crime and protect Commonwealth interests from criminal activity in Australia and overseas. This purpose is derived from section 8 of the *Australian Federal Police Act 1979* and informed by an associated Ministerial Direction articulated under section 37 (2) of the Act.

The AFP is regularly called upon to lead and contribute to whole-of-government initiatives relating to law enforcement and national security issues. Current key strategic priorities for the AFP are leading or contributing to efforts that:

- counter the threat of terrorism and violent extremism;
- prevent, deter, disrupt and investigate serious and organised crime;
- recover proceeds of crime and disrupt money-laundering activities;
- contribute to Australian international law enforcement interests through cooperation with key international partners and respond to emergencies, law and order capability-building missions and internationally mandated peace operations;
- counter the threat of cybercrime;
- protect specified individuals, establishments and events at risk of security threats;
- disrupt the operation of criminal gangs, reduce proliferation of child exploitation material and reduce harm caused by illicit drugs;
- prevent, deter, disrupt people smuggling; and
- ensure aviation security.

AFP investigations focus is on complex, protracted, transnational serious and organised crime. Within this environment, the AFP has adopted an investigative partnership approach, working collaboratively, drawing on the strengths and capabilities of different agencies, public and private, domestic and international.

Focus on Aviation

The AFP takes a whole-of-government approach to aviation security, working in collaboration with partner agencies such as the Department of Immigration and Border Protection (DIBP), the Department of Infrastructure Office of Transport Security (OTS), state and territory police, intelligence agencies and the aviation security industry. This approach delivers a comprehensive and robust aviation security framework.

The integration of the AFP Aviation portfolio into the broader AFP Protection Operations portfolio in 2016 better aligned the AFP with operational requirements in the aviation security environment creating a more effective response and surge capacity at designated airports. The ability to deploy these resources recently occurred at Australian designated airports post the initial advice of attacks at Brussels and Istanbul Airports in 2016.

Enhanced intelligence led policing between the AFP, intelligence community and industry ensures greater sharing of operational intelligence to strengthen security outcomes. Delivery of a law enforcement/industry intelligence model based on the New York Police Department (NYPD) Shield Program will lead to greater intelligence capture and sharing.

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AFP representation on a key US Aviation Security program "Fundamentals of Civil Aviation for Intelligence Professionals", has delivered a formal mechanism for the AFP to exchange intelligence and learning outcomes with relevant US agencies.

These intelligence programs will in turn feed into standing joint management forums to enhance whole of government/industry aviation security responses.

The AFP participates in a number of aviation security forums both with government agencies and aviation industry partners. These include;

- Aviation Security Advisory Forum (ASAF) – A national forum Chaired by the Office of Transport Security, provides a quarterly forum for representatives of the commercial aviation sector to meet with government and explore a broad range of day to day airport operational, legal, policy and regulatory issues relating to aviation security. The ASAF is a high-level forum, with most members representing major industry participants such as designated airports and large airlines.
- Australian Government Agency Airport Security Committee (AGAASC) –A regional forum Chaired by the AFP on a quarterly basis, the forum coordinates a whole-of-government approach to development and implementation of transport security policy. Provides a forum to coordinates and communication in the application of transport security policy.
- Airport Security Committee (ASC) – A regional forum Chaired by airport corporation, discuss threat and risk areas in security and decides upon strategies and actions to address issues and monitor implementation.
- Airport Watch Scheme is a national joint initiative with the OTS and the Airport Corporations. Similar to the Neighbourhood Watch Scheme, patrols actively engage with the airport community and key stakeholders. Information obtained is then used to support or inform aviation related or broader AFP operations.

In 2016 the AFP identified a gap in law enforcement/industry intelligence coordination and operational responses resulting in an agreement with industry representatives to implement a quarterly forum between law enforcement, Australian Border Force (ABF) and the aviation security sector focussing on operational and intelligence aspects of aviation security. Chaired by an AFP Senior Executive member this forum will promote greater sharing of law enforcement operational intelligence and the use of innovation and technology for future policing in the aviation sector.

An enhanced AFP Aviation Incident Preparedness Team (IPT) addresses security challenges in the aviation environment through the identification of vulnerabilities and development of mitigation strategies to service future aviation security responses. This will feed directly into the ASC, AGAASC and the new law enforcement/industry forum to address vulnerabilities and deliver on learning outcomes.

The shared work environment and joint management arrangements at designated airports are believe appropriate and effective.

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Focus on the Maritime environment

The AFP's current operating environment is characterised by the pervasiveness of the internet and globalisation, the increased national threat level and the evolving, complex nature of crime.

Within this environment the AFP has adopted an innovative approach towards combating organised crime. The key focus has been a partnership approach, particularly through the establishment of taskforces, in working collaboratively and leveraging off strengths and capabilities of other agencies.

Joint Waterfront Taskforces were established New South Wales (NSW), Queensland (Qld) and Victoria to address organised crime and criminal activity in the maritime environment in alignment with the Organised Crime Strategic Framework.

The NSW Polaris JWT was established in July 2010 to combat organised crime facilitated via the NSW waterfront. Agencies participating in JWT Polaris included the AFP, NSW Police Force, the NSW Crime Commission (NSWCC), the Australian Criminal Intelligence Commission (ACIC) - the former Australian Crime Commission (ACC), and Australian Border Force (ABF) - the former Australian Customs and Border Protection Service (ACBPS).

From July 2010 to June 2016, Polaris JWT achieved the following results:

- Arrest of 130 offenders on 542 charges;
- Seizure of approximately 870kg of illicit drugs and over 11 tonnes of precursor chemicals;
- Seizure of over 120 tonnes of illegally imported tobacco; and
- Seizure of 37 firearms.

Intelligence through the NSW Polaris JWT has led to the identification of a set of vulnerabilities in the maritime environment – the National Vulnerabilities Register. In partnership with JWT agencies, the ABF has developed and continues to manage a list of mitigation strategies to address vulnerabilities identified in the Register

The Qld Jericho JWT was established in July 2013 to address serious and organised crime on the Brisbane waterfront. Agencies participating in the Qld JWT include the AFP, Qld Police Service, ABF, AUSTRAC, ATO and the ACIC.

From July 2013 to December 2016, Jericho JWT achieved the following results:

- Arrest of 17 offenders on 49 charges;
- Seizure of approximately 962kg of illicit drugs;
- Seizure of \$113,000 cash; and
- Seizure of 4 firearms.

The Victorian Trident JWT was established in July 2012 to address organised and serious crime activities in relation to the maritime environment across Victoria. Agencies participating in the Victorian JWT include the AFP, Victoria Police, ABF, AUSTRAC, ATO and the ACIC. The Trident JWT is funded until 30 June 2018.

From July 2012 to December 2016, Trident JWT achieved the following results:

- Arrest of 48 offenders on 51 charges;
- Seizure of approximately 238kg of illicit drugs;
- Seizure of over 71.7 tonnes of illegally imported tobacco;
- Seizure of \$1.5m cash; and
- Seizure of 4 firearms.

Participation of State Police services in the JWTs has been funded from the Commonwealth Confiscated Assets Account. As these funding arrangements expire, participating agencies are building on the success of the JWTs and transitioning into the broader Organised Crime Taskforce model – Joint Organised Crime Groups (JOCGs) and Joint Organised Crime Taskforces (JOCTFs).

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- The NSW JWT ceased on 30 June 2016 and waterfront investigations and some resources have transitioned over to the NSW JOCG. Agencies participating in the the NSW JOCG include the AFP, NSWPF, NSWCC, ACIC, AUSTRAC and ABF.
- The QLD JWT is funded until 31 December 2016 and arrangements are being finalised to transition resourcing to the QLD JOCTF. The QLD JOCTF will combine the resources of the AFP, QLD Police Service, the ACIC, the ABF, the Australian Transaction Reports and Analysis Centre (AUSTRAC) and the Australian Taxation Office (ATO).

The JOCGs/JOCTs investigate offences that involve serious and organised crime that incorporates the importation and trafficking of border controlled drugs, money laundering, state based trafficking and manufacture of narcotics as well as the importation and cross-border trafficking of other prohibited and restricted items. The JOCGs/JOCTs maintain ongoing focus on organised crime on the waterfront.

Engagement with private industry is imperative in this space. The AFP works closely with private industry and currently has Memorandum's of Understanding in place with various shipping companies and port authorities to promote cooperation and information exchange.

Focus on Corruption

To address the risk of border officials using their positions to assist criminal networks, a joint AFP/ Australian Commission for Law Enforcement Integrity (ACLEI) Taskforce was established in 2011 in NSW. The key focus of the Taskforce was the investigation of corruption that facilitates serious organised crime in the aviation environment.

The level of cooperation between the AFP and ACLEI has led to significant operational outcomes and major reforms within the then ACBPS (now DIBP and ABF).

The joint AFP/ACLEI Taskforce continues to investigate alleged corrupt activity related to the aviation and maritime environments.

Case Studies:

Operation BAGATELLE – Aviation

In March 2014, Operation BAGATELLE commenced, targeting the importation of border controlled drugs into Australia by trusted insiders working within the aviation environment. This investigation resulted in nine people being arrested in relation to drug importation or proceeds of crime offences. Six of these people have been sentenced with the remaining matters listed for trial in 2017.

Operation BAGATELLE identified aviation vulnerabilities, within Sydney Kingsford Smith Airport, overseas airports and airline processes that had been successfully exploited to facilitate the importation of drugs. It is alleged the vulnerabilities were exploited over a two year period by the trusted insider, who worked for the Sydney Airport Corporation Ltd, to import drugs which earned him approximately six million dollars which was subsequently seized by the AFP. These vulnerabilities were identified to law enforcement partners and key aviation industry stakeholders to target and harden the aviation environment.

Operation MINIUM - Waterfront

In August 2014, The Polaris Taskforce commenced Operation MINIUM, an investigation into alleged criminal activity involving the importation of illicit drugs and smuggling of tobacco and cigarettes, allegedly using corrupt industry officials through the Sydney waterfront and maritime supply chain.

In total 17 people were charged and a quantity of tobacco, cocaine, cash, firearms and ammunition were seized, and approximately \$2.7m of assets were restrained.

This matter is still before court.

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Operation MARCA - Corruption

In February 2012, Operation MARCA commenced as a joint investigation between the AFP, ACLEI and ABF (formerly ACBPS). Operation MARCA focused on drug importation and corruption matters and resulted in 26 people being arrested and charged, including nine Commonwealth officials - eight Customs Officers one Department of Agriculture, Fisheries and Forestry Officer, who were charged with a range of corruption and drug importation related offences.

Operation MARCA also identified numerous vulnerabilities within the Sydney Airport environment. These vulnerabilities were exploited by corrupt law enforcement officers and airport staff which resulted in the importation of prohibited substances through Sydney International Airport over an approximate four year period.

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