

## Chapter 2

### Australian Federal Police Annual Report 2013-14

#### Background

2.1 The Australian Federal Police (AFP) is Australia's international law enforcement and policing representative and the government's chief source of advice on policing issues. The role of the agency is to:

...enforce Commonwealth criminal law, to contribute to combating organised crime and to protect Commonwealth interests from criminal activity in Australia and overseas as a key member of the national security community. The AFP leads and contributes to many whole-of-government national security initiatives.<sup>1</sup>

2.2 Section 8 of the *Australian Federal Police Act 1979* (the AFP Act) outlines the functions of the AFP including:

- the provision of police services in relation to the laws of the Commonwealth and the property of the Commonwealth (including Commonwealth places) and the safeguarding of Commonwealth interests;
- the provision of police services in relation to the Australian Capital Territory, the Jervis Bay Territory and Australia's external territories (Christmas Island, Cocos (Keeling) Islands and Norfolk Island);
- the provision of protective and custodial functions as directed by the Minister;
- the provision of police services and police support services to assist or cooperate with an Australian or foreign law enforcement agency, intelligence or security agency, or government regulatory agency; and
- the provision of police services and police support services to establishing, developing and monitoring peace, stability and security in foreign countries.<sup>2</sup>

2.3 The AFP's strategic priorities are determined in accordance with section 8 of the AFP Act and the revised Ministerial Direction, issued on 12 May 2014 under subsection 37(2) of the AFP Act.<sup>3</sup> Further examination of the revised Ministerial Direction is undertaken in Chapter 3.

#### Annual reporting and compliance

2.4 In addition to the legislative requirements outlined above, the AFP is required to prepare an annual report under section 67 of the AFP Act as follows:

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1 Australian Federal Police (AFP), *Annual Report 2013-14*, p. 12.

2 AFP, *Annual Report 2013-14*, p. 12.

3 AFP, *Annual Report 2013-14*, p. 3; AFP, *Ministerial Direction*, [www.afp.gov.au/about-the-afp/governance/ministerial-direction](http://www.afp.gov.au/about-the-afp/governance/ministerial-direction), (accessed 11 September 2015)

The annual report prepared by the Commissioner and given to the Minister under section 46 of the *Public Governance, Performance and Accountability Act 2013* for a period must include particulars of:

(a) the AFP conduct issues that were dealt with under Part V [Professional standards and AFP conduct and practices issues] of this Act during that period; and

(b) the action that was taken, during that period, in relation to AFP conduct issues that were dealt with under Division 3 of Part V [Dealing with AFP conduct or practices issues] of this Act.<sup>4</sup>

2.5 During the 2013-14 reporting period, the AFP was a prescribed agency for the purposes of the *Financial Management and Accountability Act 1997* (FMA Act). As an FMA Act agency, the AFP was required to comply with the *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*,<sup>5</sup> prepared by the Department of the Prime Minister and Cabinet and approved by the Joint Committee of Public Accounts and Audit. The annual report's compliance with these requirements is set out in a compliance index.<sup>6</sup>

2.6 Based on the committee's assessment of the annual report, it fulfils these requirements.

2.7 Due to the passage of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) future AFP annual reports will be produced according to the requirements in that Act.

### **AFP focus 2013-14**

2.8 During the reporting year, the AFP continued to focus on reducing criminal and other security threats to Australia's collective economic and societal interests. The AFP concentrated on five key areas, namely:

...establishing and commencing operation of the National Anti-Gangs Taskforce. The taskforce will enhance Commonwealth investigative, intelligence and technical capabilities; deliver enhanced national and international intelligence-led policing; and inform the development of prevention and disruption activities at jurisdictional and Commonwealth levels;

supporting the whole-of-government United Nations Security Council effort by providing policing expertise, advice and capacity development;

delivering official development assistance programs in the Pacific, Timor-Leste, Afghanistan and the Republic of South Sudan;

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4 *Australian Federal Police Act 1979*, s. 67.

5 Department of the Prime Minister and Cabinet, *Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies*, 29 May 2014, [www.dpmc.gov.au/sites/default/files/publications/Requirements\\_for\\_Annual\\_Reports.pdf](http://www.dpmc.gov.au/sites/default/files/publications/Requirements_for_Annual_Reports.pdf), (accessed 26 August 2015).

6 AFP, *Annual Report 2013-14*, p. 215.

maintaining strong liaison and operational links with international partners to disrupt serious criminal and national security threats; and contributing to the whole-of-government approach to combating fraud and corruption.<sup>7</sup>

### **AFP achievements 2013-14**

2.9 Commissioner Colvin highlighted a number of the AFP's key achievements in 2013-14, which included:

- the completion of the 6 and-a-half-year commitment to support the Afghan National Police (ANP);
- the fiftieth year of unbroken peacekeeping operations in Cyprus;
- the tenth anniversary of the Regional Assistance Mission to Solomon Islands;
- implementation of the National Anti-Gangs Squad;
- expansion of the deployment in Papua New Guinea;
- restraint of \$134 million worth of criminal assets;
- 95 per cent conviction rate; and
- 311 new recruits graduated from the AFP College in Canberra.<sup>8</sup>

2.10 In his opening statement, Commissioner Colvin noted that the AFP had successfully met its KPIs for the third year in a row.<sup>9</sup>

2.11 Commissioner Colvin informed the committee that, throughout the year in review, the AFP had continued several successful international engagements. These included the withdrawal of the AFP from Afghanistan after a 6 and a half year tour, and 50 years of peacekeeping duties in Cyprus with the United Nations.<sup>10</sup>

2.12 Commissioner Colvin also drew the committee's attention to the 10<sup>th</sup> anniversary of the AFP's Regional Assistance Mission in the Solomon Islands.<sup>11</sup>

### ***Strategic Leaders' Group***

2.13 The Strategic Leaders' Group (SLG) is the AFP's peak advisory committee. Its membership consists of the Commissioner as Chair, Deputy Commissioners, Chief Operating Officer, Chief Police Officer ACT Policing, National Managers and two non-executive members. The SLG assists the Commissioner to make decisions and to exercise his statutory responsibilities. The SLG also supports the Commissioner in developing and enhancing partnerships with external stakeholders.<sup>12</sup>

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7 AFP, *Annual Report 2013-14*, p. 14.

8 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, pp 1–2.

9 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, p. 1.

10 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, p. 1.

11 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, p. 1.

12 AFP, *Annual Report 2013-14*, p. 17.

2.14 During 2013-14, the SLG considered many issues, including:

- the strategic implications of an increasingly constrained fiscal environment, and future challenges and opportunities for the AFP;
- the strategic and operational environment and the consequent implications for the AFP's operational activity, technical and capability development, and international presence;
- the evolving national security environment, strategic alliances, and approaches to maintaining a focus on coordination and partnerships;
- the establishment of the Investigations Standards and Practices Group;
- operational and workforce performance, and the AFP's continued success against its key performance indicators;
- the response to government priorities, and promotion of organisational flexibility and innovation to deal with the ever-changing criminal environment;
- the reaffirmation of the AFP Strategic Plan 2012–2015;
- the implementation of the AFP's Strategic Capability Plan and development of a new strategic plan for information and communications technology; and
- developments in proceeds of crime, law reform, cybercrime, offshore fighters, technology and innovation.<sup>13</sup>

2.15 The SLG also maintained its focus on continuing the AFP's strong organisational and financial performance.<sup>14</sup>

### **AFP outcomes and planned performance**

2.16 The AFP's outcomes and planned performance for 2013-14 were initially set out in the Attorney-General's Portfolio Budget Statements.<sup>15</sup>

2.17 While the AFP had four programs under Outcome 1, during the 2013-14 reporting period these were merged into two following Portfolio Additional Estimates Statements.<sup>16</sup> The original outcomes and programs for 2013-14 are included below.

2.18 The annual report suggests that the new program structures are intended to streamline the AFP's reporting to meet whole-of-government reporting:

Three programs under Outcome 1 (1.1: National Security—Policing, 1.3: Operations—Policing and 1.4: Close Operational Support) were consolidated into a single program (1.1: Federal Policing and National Security). Program 1.2 was renamed with the more appropriate title of International Police Assistance. Simplified reporting enables the AFP to

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13 AFP, *Annual Report 2013-14*, p. 17.

14 AFP, *Annual Report 2013-14*, p. 17.

15 Attorney-General's Department, *Portfolio Budget Statements 2013-14*, pp 149–150.

16 Attorney-General's Department, *Portfolio Budget Statements 2014-15*, p. 131.

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meet whole-of-government reporting requirements while maximising flexibility in the use of resources. There was no change to the AFP's functions or activities as a result of the program restructure.<sup>17</sup>

### ***Original Outcome 1***

2.19 At the commencement of the reporting year and prior to the consolidation and reorganisation of the AFP's programs, Outcome 1 focused on numerous objectives of the AFP, including reducing criminal and security threats to Australia's collective economic and societal interests through co-operative policing services.<sup>18</sup> It included the following programs:

- Program 1.1 (National Security—Policing) focused on crime prevention and comprises the Counter Terrorism, Aviation and Protection functions of the AFP;
- Program 1.2: (International Deployments) delivered initiatives on behalf of the Australian Government that are aimed at improving regional and international security, stability and governance. It was supported by the International Deployment Group;
- Program 1.3: (Operations—Policing) sought to reduce criminal threats to Australia's collective economic and societal interests by employing a multidisciplinary approach to combating crimes against the Commonwealth. The program comprised the Serious and Organised Crime (which includes the International Network) and Crime Operations functions; and
- Program 1.4: (Close Operations Support) provided specialist support to the AFP's national security and operations programs, in particular keeping pace with advancements in technology and science, and comprised the Operations Support, Intelligence, Forensic and Data Centres, and High Tech Crime Operations, Legal and Proceeds of Crime Litigation functions.

### ***Revised Outcome 1***

2.20 The revised programs are detailed below.

#### ***Revised program 1.1 (Federal Policing and National Security)***

2.21 Program 1.1 now incorporates Aviation, Counter Terrorism and Protection, the Crime Program, International Network and some joint task forces with Commonwealth and law enforcement partners, and Close Operation Support.<sup>19</sup> It merges former programs 1.1, 1.3 and 1.4.

#### ***Revised program 1.2 (International Police Assistance)***

2.22 Program 1.2 promotes national security by providing policing support for international partners. This program is facilitated by the AFP's official development

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17 AFP, *Annual Report 2013-14*, p. 15.

18 Attorney-General's Department (AGD), *Portfolio Budget Statements 2013-14*, pp 149–150.

19 AGD, *Portfolio Budget Statements 2014-15*, p. 131.

assistance capacity-building in Asia and the Pacific, together with AFP contributions to United Nations missions.<sup>20</sup>

### ***Outcome 2—ACT Community Policing***

2.23 Outcome 2 requires a safe and secure environment through policing activities on behalf of the Australian Capital Territory (ACT) Government. The AFP fulfils this outcome via ACT Policing, as the community policing arm of the AFP in the ACT.<sup>21</sup>

2.24 A purchase agreement between the ACT Minister for Police and Emergency Services, the AFP Commissioner and the Chief Police Officer of the ACT specifies the cost, type and level of services required by the ACT Government from the AFP. Through ACT Policing, the AFP provides crime and safety management, road safety, prosecution and judicial support, and crime prevention to the ACT Government.<sup>22</sup>

### ***Key Performance Indicators***

2.25 As a result of the changes to Outcome 1, the number of AFP KPIs was revised down from 33 in 2012-13 to 29 in 2013-14.<sup>23</sup> Following the significant program restructure (outlined above), performance indicators have been updated to reduce duplication, with targets for performance raised to 85 per cent for stakeholder satisfaction and kept at 90 per cent for conviction rates.<sup>24</sup>

2.26 In his opening remarks to the committee, Commissioner Colvin noted:

[The 2013-14 Annual Report] culminates the third year in a row that we have met all of our key performance indicators which, again, was the first time in the AFP's history that we have been able to string together such a consistent term of meeting our KPIs. Of course, KPIs are only one window to view the AFP through. We feel the annual report is a very good document to outline the activities of the organisation—our successes and the things that we have been involved in for that 2013-14 year.<sup>25</sup>

2.27 The annual report notes that cooperation between the AFP's business partners continues to be measured via the AFP Business Satisfaction Survey. The survey itself notes that the AFP reached 92 per cent stakeholder satisfaction in 2014, the highest figure recorded.<sup>26</sup>

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20 AGD, *Portfolio Budget Statements 2014-15*, p. 132.

21 AFP, *Annual Report 2013-14*, p. 31.

22 AFP, *Annual Report 2013-14*, p. 31.

23 AFP, *Annual Report 2012-13*, p. 28; AFP, *Annual Report 2013-14*, p. 22.

24 AFP, *Annual Report 2013-14*, p. 22.

25 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, p. 1.

26 AFP, *Annual Report 2013-14*, p. 22.

2.28 Performance also continues to be measured by 'conviction rates', which denote cases where at least one defendant was convicted or where the case is proven without conviction.<sup>27</sup>

2.29 Given the amalgamation of programs and restructure of KPIs within the annual report itself, the committee has examined the AFP's performance against the revised outcomes and programs, as set out below.

### **Outcome 1—key highlights and performance**

2.30 The AFP met all of its KPI targets for three successive financial years, with its performance improving on 12 indicators (1–3, 5, 7, 13–16, 23–24 and 27).<sup>28</sup>

#### ***Program 1.1: Federal Policing and National Security***

2.31 Program 1.1 focuses on the reduction of criminal and security threats to Australia:

The program's primary focus is to reduce criminal and security threats to Australia's collective economic and societal interests by promoting the safety and security of Australian communities and infrastructure; preventing, deterring, disrupting and investigating serious and organised crime and crimes of Commonwealth significance; and ensuring effective collaboration with Commonwealth, state and territory, and international partners.<sup>29</sup>

2.32 Following the restructure outlined above, Program 1.1 contains three major components, largely reflective of the structure of previous Programs 1.1, 1.3 and 1.4:

- National Security—Policing;
- Operations—Policing; and
- Close Operation Support.<sup>30</sup>

2.33 The annual report notes that the AFP exceeded all performance targets within Program 1.1.<sup>31</sup>

#### ***National Security—Policing***

2.34 The annual report notes that the AFP exceeded all performance targets in National Security—Policing through:

- matching the previous year's 100 per cent prosecution, disruption or intelligence referral outcome within counter-terrorism investigations (KPI 6);
- increasing the level of community confidence in the AFP's contribution to law enforcement and security at Australian airports to 87 per cent (KPI 7); and

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27 AFP, *Annual Report 2013-14*, p. 24.

28 AFP, *Annual Report 2013-14*, p. 22.

29 AFP, *Annual Report 2013-14*, p. 23.

30 AFP, *Annual Report 2013-14*, p. 24.

31 AFP, *Annual Report 2013-14*, p. 24.

- maintaining a positive result for protection services, including Uniform Protection (KPI 10) and Close Personal Protection (KPI 11).<sup>32</sup>

### *Operations—Policing*

2.35 The annual report notes successes against Operations—Policing KPIs as follows:

- continued adherence to the Organised Crime Strategic Framework resulting in an increase to 75 per cent in jointly conducted serious and organised crime investigations (KPI 13);
- success in drug and fraud investigations reflected in a strong return on investment (KPI 14);<sup>33</sup>
- targeted criminal financial investigations (KPI 15) resulting in restraint of \$134 million of criminal assets restrained by the Criminal Assets Confiscation Taskforce (KPI 16) above the target of \$43.2 million.<sup>34</sup>

### *Close Operation Support*

2.36 The annual report details that the AFP's use of forensics allowed it to meet and/or exceed service-level targets for quality, timeliness and throughput in KPIs 17, 18 and 19 respectively.<sup>35</sup>

2.37 The annual report also notes the AFP's successes against KPIs 20–23, which relate to High Tech Crime Operation investigation targets for high impact cases, together with case throughput. The latter two KPIs saw the AFP meet requirements for increasing technology crime awareness for AFP staff and school communities.<sup>36</sup>

### *Operations and multi-agency taskforces 2013-14*

2.38 The AFP continues to lead Australia's capacity to detect and defeat serious and organised crime through the Commonwealth Organised Crime Strategic framework.<sup>37</sup>

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32 AFP, *Annual Report 2013-14*, p. 24.

33 The annual report notes that seizures of illicit drugs within the Drug Harm Index were estimated at 8 tonnes valued in Australian illicit markets at \$2.3 billion. Further, the AFP estimates financial return from financial related crime investigations was \$444 million. See: AFP, *Annual Report 2013-14*, p. 25.

34 AFP, *Annual Report 2013-14*, p. 25.

35 AFP, *Annual Report 2013-14*, p. 25.

36 AFP, *Annual Report 2013-14*, p. 25.

37 AFP, *Annual Report 2013-14*, p. 53.

2.39 Some operational highlights across the AFP's programs include:

- establishment of the National Anti-Gangs Taskforce, with a focus on the enhancement of Commonwealth investigative, intelligence and technical capabilities and delivery of enhanced national and international intelligence-led policing;<sup>38</sup>
- Operation Rathlin—a multi-agency counter-terrorism investigation undertaken by the Sydney based Joint Counter Terrorism Team, with representatives from NSW Police, NSW Crime Commission and the Australian Security Intelligence Organisation;<sup>39</sup>
- Operation Duntulum—an investigation into the activities of a group of people believed to be engaging in or preparing to engage in the ongoing conflicts in Syria and Iraq in contravention of the *Crimes (Foreign Incursions and Recruitment) Act 1978*;<sup>40</sup>
- Operation Celestine—a joint operation between the AFP, Australian Customs and Border Protection Service (ACBPS), and the Royal Canadian Mounted Police that uncovered a travel scam targeting elderly victims and using them as drug mules, including through countries which enforce the death penalty on drug smugglers;<sup>41</sup>
- Operation Ecrue—a joint operation between the AFP and Royal Thai Police that resulted in the seizure of 140 kilograms of heroin destined for Australia and the associated disruption to a transnational crime syndicate;<sup>42</sup>
- Operation Ebrima—a joint Commonwealth-State investigation that commenced with the detection of more than 200 kilograms of methamphetamine in a six-wheeled truck from China. The estimated street value of the methamphetamine was up to \$200 million, and three individuals have been arrested, two of whom have since pleaded guilty and are awaiting sentencing. To date, it represents one of the largest cross jurisdiction and cross agency investigations within Australia, through the collaborative efforts of the AFP, State police (Victoria, New South Wales and Queensland), ACBPS, Australian Taxation Office (ATO), AUSTRAC, the ACC and the NSW Crime Commission.<sup>43</sup>

#### *National Anti-Gangs Squad*

2.40 As outlined above, the AFP is particularly focused on anti-gang operations. This is demonstrated by the establishment of the National Anti-Gangs Squad which

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38 AFP, *Annual Report 2013-14*, p. 14.

39 AFP, *Annual Report 2013-14*, p. 35.

40 AFP, *Annual Report 2013-14*, p. 35.

41 AFP, *Annual Report 2013-14*, p. 41.

42 AFP, *Annual Report 2013-14*, p. 50.

43 AFP, *Annual Report 2013-14*, p. 50.

provides 'a coordinated nationwide capability to deter, detect and disrupt gang-related crimes'.<sup>44</sup> Since its inception the Squad has responded to over 380 requests for assistance from state and territory jurisdictions, and assisted in disrupting serious gang-related criminal activity through 72 gang-related investigations.<sup>45</sup> To date, the operations of the Squad has resulted in the AFP seizing a total of 205 firearms, over \$1.2 million in cash and more than 40 motor vehicles.<sup>46</sup>

### *Waterfront Operations*

2.41 As discussed above, the AFP is actively enhancing its cross jurisdictional and multi-agency operations. Waterfront Operations is an example of a multi-jurisdictional and multi-agency initiative which targets serious and organised crime on the waterfront across the east coast of Australia.<sup>47</sup> The AFP supports the operations of waterfront taskforces in New South Wales, Victoria and Queensland.

2.42 In 2012-13, the waterfront taskforces resulted in more than 56 arrests and seized seven firearms, seizure of:

- 38 kilograms of illicit drugs and precursor chemicals;
- 177 tonnes of tobacco;
- more than \$2 million in cash; and
- \$12.7 million in restrained assets.<sup>48</sup>

2.43 During the committee's hearing, Commissioner Colvin emphasised the importance of multi-jurisdictional and multi-agency collaboration:

...the key message...is that multiagency task forces work. Within the federated system that we have in Australia it is impossible for us to act in isolation... Through MOUs and arrangements and structures, these teams are formalising those multinational or multijurisdictional arrangements... The key for us is bringing multiple agencies to the table that have not just different jurisdictional responsibilities but also different skill sets... For instance, with the waterfront task forces, one of the key initiatives that we do is engage with some non-traditional partners...who know the business, they know the vulnerabilities and they know the industry far better than a police officer can. The success of places like our waterfront task forces and the National Anti-Gangs Squad is built on the fact that multijurisdictional, multiagency task forces is the only way to be successful against organised crime.<sup>49</sup>

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44 AFP, *Annual Report 2013-14*, p. 52.

45 AFP, *Annual Report 2013-14*, p. 52.

46 AFP, *Annual Report 2013-14*, p. 52.

47 AFP, *Annual Report 2013-14*, p. 52.

48 AFP, *Annual Report 2013-14*, p. 52.

49 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, p. 7.

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*Proceeds of crime activities 2013-14*

2.44 As discussed with reference to KPI 15 above, the AFP continues to lead and host the Criminal Assets Confiscation Taskforce (CACT). Through the CACT, the AFP is able to enhance its focus on following and seizing money in targeted criminal investigations.<sup>50</sup>

2.45 The CACT coordinates a dynamic and systematic approach to criminal asset confiscation, while aiming to remove the revenue of crime. The taskforce utilises resources of the ACC and the ATO, and consists of teams based in Brisbane, Sydney, Melbourne, Perth and Canberra that together provide national coverage.<sup>51</sup>

2.46 The annual report notes that referrals from the CACT to the ATO have resulted in the initiation of numerous cases, of which 59 have been finalised resulting in over \$30 million being raised in liabilities. Current cases have an estimated liability of around \$137 million.<sup>52</sup>

2.47 Of particular note are two operations involving the CACT which are discussed in further detail below.

*Operation Nosean*

2.48 In October 2012, the CACT and the ATO commenced an investigation into suspected money laundering and tax fraud in relation to the purchase and sale of gold bullion. The annual report notes:

The objective of the fraud is to generate tax refunds that entities are not entitled to. The estimated loss to the Commonwealth from groups alleged to be involved in this fraud type is in excess of \$300 million and growing.<sup>53</sup>

2.49 Operation Nosean, through specific targeting of a criminal group who had allegedly defrauded the Commonwealth of more than \$40 million, resulted in CACT executing 16 search warrants in New South Wales and Victoria. The operation resulted in the restraint of \$22 million in cash and other assets that were 'deemed to be proceeds of crime'.<sup>54</sup>

*Operation Euclase*

2.50 Operation Euclase refers to an investigation in which a Chinese man arriving in Australia was investigated for allegedly receiving proceeds of crime through a large bag on closed circuit television. The subsequent investigation into the person's use of the funds resulted in his arrest in Sydney, and the arrest of another individual in Hong

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50 AFP, *Annual Report 2013-14*, p. 53.

51 AFP, *Annual Report 2013-14*, p. 53.

52 AFP, *Annual Report 2013-14*, p. 54.

53 AFP, *Annual Report 2013-14*, p. 55.

54 AFP, *Annual Report 2013-14*, p. 55.

Kong. The annual report notes that 'the AFP acted quickly to freeze and restrain all funds associated with the crime. Further cooperation with Hong Kong is continuing'.<sup>55</sup>

### ***Program 1.2: International Police Assistance***

2.51 Program 1.2 focuses on reducing criminal and national security threats through the International Development Group (IDG). The IDG contains numerous collaborative police development missions, internationally mandated peace operations and, in accordance with Australian foreign policy, civil policing assistance.<sup>56</sup>

2.52 In 2013-14 the IDG exceeded its KPIs (24 and 25), as demonstrated by consistently positive feedback and high external stakeholder rating.<sup>57</sup>

2.53 Further, the annual report notes performance against additional KPIs in Program 1.2:

The IDG committed 95 per cent of its resources to the Asia-Pacific region (KPI 27), while remaining consistent with the World Bank's rule-of-law indicators (KPI 28). The IDG also exceeded the targets for two new KPIs relating to the training of law and justice officials (KPI 26) and assistance to national security and aid priority countries (KPI 29).<sup>58</sup>

### *Development assistance program in Afghanistan*

2.54 A specific example of Program 1.2 in operation was the AFP's development assistance program in Afghanistan from 2007 to 2014. The operation resulted in the deployment of 136 AFP members to mentor and train the Afghan National Police (ANP) on aspects related to community policing.<sup>59</sup> During that period, the AFP trained and mentored over 2000 ANP officers.<sup>60</sup>

2.55 In line with Australia's broader drawdown in the region, the AFP has gradually withdrawn its members from Afghanistan since 2013.<sup>61</sup> The final withdrawal was completed in January 2014, when all AFP members returned home safely.<sup>62</sup>

2.56 Commissioner Colvin remarked that the operation in Afghanistan had been 'a very successful deployment' under difficult circumstances and conditions.<sup>63</sup>

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55 AFP, *Annual Report 2013-14*, p. 55.

56 AFP, *Annual Report 2013-14*, p. 30.

57 AFP, *Annual Report 2013-14*, p. 30.

58 AFP, *Annual Report 2013-14*, p. 30.

59 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, p. 2; See also: AFP, *Answer to Question on Notice*, (received 26 March 2015), p. 1.

60 AFP, *Answer to Question on Notice*, (received 26 March 2015), p. 1.

61 AFP, *Answer to Question on Notice*, (received 26 March 2015), p. 1.

62 AFP, *Annual Report 2013-14*, p. 6.

63 Mr Andrew Colvin, Commissioner, AFP, *Committee Hansard*, 4 March 2015, p. 2.

## Resources and staffing

2.57 The AFP reported a departmental operating deficit of \$12 million which represents an increase from a deficit of \$2.5 million in 2012-13.<sup>64</sup>

2.58 The report notes the deficit can be attributed to expenses for the costs of redundancies, 'recognised at the end of the financial year to allow the AFP to establish a sustainable workforce in the future'.<sup>65</sup>

2.59 The departmental operating income for 2013-14 was \$1296 million, an increase from \$1282 million in 2012-13,<sup>66</sup> that comprises:

- \$992 million in government appropriation (\$978 million in 2012-13);
- \$159 million from the ACT government for policing services (\$146 million in 2012-13); and
- \$158 million in other revenue (\$145 million in 2012-13).<sup>67</sup>

2.60 The AFP also received an additional \$31 million (\$25 million in 2012-13) in government appropriation for capital expenditure and \$59 million (\$11 million in 2012-13) as an equity injection 'for new initiatives'.<sup>68</sup> In 2013-14, the AFP administered \$20 million in expenses on behalf of the government (an increase from \$17 million in 2012-13).<sup>69</sup>

2.61 As of 30 June 2014, the AFP had 6853 staff comprising 3620 sworn police, 639 protective service officers, 2582 unsworn staff and 12 employees in the Asia-Pacific Group.<sup>70</sup>

2.62 The following table provides a comparison of staffing figures between 2012-13 and 2013-14.<sup>71</sup>

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64 AFP, *Annual Report 2012-13*, p. 107; AFP, *Annual Report 2013-14*, p. 104.

65 AFP, *Annual Report 2013-14*, p. 104.

66 AFP, *Annual Report 2012-13*, p. 107; AFP, *Annual Report 2013-14*, p. 104.

67 AFP, *Annual Report 2012-13*, pp 107–108; AFP, *Annual Report 2013-14*, p. 104.

68 AFP, *Annual Report 2012-13*, pp 107–108; AFP, *Annual Report 2013-14*, p. 104.

69 AFP, *Annual Report 2012-13*, pp 107–108; AFP, *Annual Report 2013-14*, p. 104.

70 AFP, *Annual Report 2013-14*, p. 104.

71 AFP, *Annual Report 2012-13*, p. 208; AFP, *Annual Report 2013-14*, p. 198.

**Table 1—AFP staffing 2012-13 and 2013-14**

<b>Sworn status</b>	<b>2012-13</b>	<b>2013-14</b>
Sworn police	3573	3620
Protective service officer	733	639
Unsworn staff	2591	2582
<b>Total</b>	<b>6897</b>	<b>6841</b>
Asia-Pacific Group	12	12
<b>Grand Total</b>	<b>6909</b>	<b>6853</b>

***Committee view***

2.63 The committee is satisfied that the AFP has met its KPIs for 2013-14, and notes it has done so with a higher overall stakeholder satisfaction rating of 92 per cent, up from 90 per cent in 2012-13. The committee notes the significant streamlining of programs within Outcome 1 and will continue to monitor the AFP's outputs in Outcomes 1 and 2 over the coming reporting period.

2.64 In relation to the AFP's financial statements, the committee agrees that the AFP has had a successful year, notwithstanding the increase in operating deficit from \$2.5 million in 2012-13 to \$12 million in 2013-14. The committee notes that the deficit is relatively small, at approximately one per cent of the AFP's operating income. The committee will continue to monitor the AFP's financial statements accordingly.