



Australian Government

COMMONWEALTH ORGANISED CRIME STRATEGIC FRAMEWORK: OVERVIEW





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OVERVIEW

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TABLE OF CONTENTS

FOREWORD	5
ROLES AND RESPONSIBILITIES	6
CHALLENGES TO ADDRESSING ORGANISED CRIME	8
KEY ELEMENTS OF THE FRAMEWORK	10
FIVE CAPABILITIES TO SUPPORT THE RESPONSE TO ORGANISED CRIME	12

FOREWORD



The Australian Government is committed to disrupting, investigating and prosecuting organised crime.

Organised crime is now recognised as an issue of national security. The Prime Minister, in his first *National Security Statement*, highlighted the growing complexity of organised crime as a security challenge in the modern global environment.

Organised crime costs Australia in the order of \$10 to \$15 billion each year. These costs impact on all Australian governments and businesses. Organised crime also causes great harm to individuals and the broader community.

Organised criminal networks are flexible, innovative and resilient. These networks are profit driven, constantly looking for new opportunities and operating across state, territory and national borders.

To respond to these challenges the Australian Government has developed the Commonwealth Organised Crime Strategic Framework.

The Framework establishes a comprehensive and coordinated response to target the most significant threats from organised crime in order to reduce its impact on the community.

The Framework will ensure our law enforcement, intelligence, policy and regulatory agencies are collaborating effectively with each other, with their State, Territory and international counterparts, and with Australian businesses and the community to combat organised crime.

A biennial Organised Crime Threat Assessment conducted by the Australian Crime Commission will identify the key organised crime threats and provide a strong basis for coordinated action to respond to these threats.

Improved information and intelligence sharing will create a more accurate picture of organised crime in Australia, and ensure that our efforts are targeted at the most significant threats.

This overview of the Commonwealth Organised Crime Strategic Framework has been prepared to provide the Australian community with an outline of the challenges, risks and threats presented by organised crime and the actions the Australian Government will take to combat them.

A handwritten signature in black ink that reads "Robert McClelland". The signature is written in a cursive, flowing style.

The Hon Robert McClelland MP

Attorney-General

ROLES AND RESPONSIBILITIES

The Australian organised crime policy context is whole-of-government in nature, influenced by the Commonwealth, state and territory jurisdictions as well as international treaties to which Australia is a signatory. The Framework provides an approach that links in to international as well as domestic developments, gives weight to both public and private sector concerns and involves the wider Australian community. For the purpose of the Framework, a focus will be given to Commonwealth responses to organised crime.

Organised crime neither respects borders (state or national) or demarcations of responsibility (between governments or agencies). Organised criminals in fact often target the gaps created by borders or demarcations as they can present opportunities for higher profit and lower risk. Respecting the fact that each government needs to be able to align its resources to deal with its jurisdictional priorities in the most effective manner possible, there remains an underlying need for all jurisdictions to work collaboratively and cohesively to address the most serious threats from organised crime.

Commonwealth Roles and Responsibilities

Constitutionally, the Commonwealth does not have a head of power with respect to criminal law. Commonwealth criminal laws and law enforcement activities are directed at particular crime types which are within Commonwealth power such as corporate and financial crime, cybercrime and the trafficking of drugs and people across the border.

The Commonwealth has sole jurisdiction over organised crime matters with an overseas or border aspect, but crimes that originate outside Australia often have domestic components. As such, Commonwealth responsibilities can sometimes overlap with those of state and territory law enforcement, regulatory or criminal justice areas.

The Commonwealth maintains capabilities to counter organised crime through a range of agencies. Some agencies are provided with specialist mandates or functions to combat specific crime types and others have responsibility for aspects of organised criminal activity as part of normal business requirements (including regulating the environments that organised crime may exploit). Traditional responses have been applied through agencies working collaboratively or on an individual basis.

State/Territory Roles and Responsibilities

States and territories are generally responsible for criminal law in relation to murder, assault, sexual assault, robbery, theft, handling of illicit firearms, domestic drug production and distribution, and various fraud offences.

While the Framework focuses on Commonwealth aspects, strong collaborative partnerships with the states and territories will continue to underpin a national response to organised crime. The Commonwealth is already actively engaged in complementary processes, through forums such as the Standing Committee of Attorneys-General (SCAG) and the Ministerial Council for Police and Emergency Management – Police (MCPEMP), to strengthen this holistic response.

Further, the close collaboration in responding operationally to nationally significant organised crime will continue through existing mechanisms. The Australian Crime Commission (ACC), with oversight by a Board comprised of state, territory and Commonwealth representatives, will be well placed to facilitate specific, cooperative responses. Similarly, joint agency investigations and intelligence arrangements between the Australian Federal Police (AFP) and state and territory agencies will continue.

Industry and Market Participants

The Commonwealth plays a key role in regulating and monitoring industry and other market participants' activity in key environments (such as the import/export sector and the financial sector).

While private sector does not have a mandate or responsibility to address organised crime, it is important to recognise that organised crime actively infiltrates legitimate markets, undermines market controls, and exploits industry participants (knowingly or otherwise) to facilitate or conceal illicit activity.

Industry therefore has a key role in understanding its environment and identifying potential opportunities for organised crime exploitation. It also has a role in ensuring compliance with regulatory and legislative regimes that facilitate law enforcement activities.

The Framework seeks to enhance the relationship between the Commonwealth and industry on organised crime matters.

International Cooperation and Engagement

Given the growing geographical reach of organised crime and the increasing globalisation of financial markets, international cooperation and engagement is a vital part of dismantling organised criminal activities and networks.

The successful understanding of, and intervention against, organised criminal activity, including prosecution, is dependent on effective frameworks for international cooperation. Particularly important are the tools of information and intelligence sharing and police to police assistance to build a comprehensive understanding of the networks. International cooperation, including through mutual assistance and extradition, will be critical to prevent perpetrators from evading sentencing, or concealing the proceeds of crime by crossing international borders. Dedicated and ongoing effort to improve the capacity of regional and developing countries is also integral to preventing and disrupting organised criminal activity before it reaches Australia's borders. The Commonwealth is responsible for delivering international law enforcement cooperation and engagement and has developed a range of mechanisms for this purpose.



CHALLENGES TO ADDRESSING ORGANISED CRIME

The Framework outlines the five challenges that represent the key characteristics, motivations and activities of organised criminal networks. These challenges require a strong response from the Commonwealth.

1) Organised criminal networks are flexible, dynamic, innovative and resilient in nature

Criminal networks are sensitive to the tactics employed by law enforcement and regulatory agencies and are knowledgeable of legitimate industry practices, demonstrating a high degree of resilience to traditional organised crime interventions. They seek to balance profit opportunities with attendant risks of detection and prosecution.

Outlaw motorcycle gangs, hierarchical and highly-controlled organised crime groups or underworld figures have dominated the public's image of organised crime in Australia. These traditional groupings continue to have a strong involvement in organised crime activities and remain a significant threat. However, beyond traditional and conspicuous stereotype crime groups, other criminal groups are increasingly common, operate internationally, and pose an equal or greater threat.



2) Organised criminal networks are driven by a profit motive

Organised criminal networks are fundamentally driven by a desire to make, and subsequently hide, illicit profits. Over the coming years, demand for illicit commodities, such as drugs, is likely to remain strong, driving the criminal economy by providing a strong profit incentive to engage in organised criminal activities.

Organised crime can be expected to actively exploit current and emerging opportunities to generate funds or otherwise benefit from a broad range of activities of interest to the Commonwealth including firearms, fraud (including attacks on Australia's revenue system), high tech crime, environmental crime, piracy and counterfeiting, classification offences, people trafficking, identity crime, public sector corruption, money laundering and labour exploitation. Australia's law enforcement, regulatory, legislative and policy agencies require the capability to identify, adapt and respond quickly to emerging criminal threats.

3) Organised criminal networks engage in criminal infiltration, corruption and the use of facilitators

As serious and organised crime infiltrates various sectors of the economy, its activities are often supported, knowingly or otherwise, by a range of people with access to information, infrastructure, government services, knowledge of institutional weaknesses or access to specialist skills.

'Facilitators' with specific skill sets (such as information technology specialists, accountants, lawyers and bankers) play a vital role, sometimes unintentionally, in assisting criminal networks operate undetected and seamlessly across both legitimate and illicit markets.

Criminal networks employ criminal infiltration and corruption tactics to undertake and conceal illicit activities and launder the proceeds of crime. Networks have established a significant foothold in certain industry sectors. Once these footholds are established, organised crime can more easily operate in and profit from these sectors. These sectors can also become resistant to law enforcement interventions.

Criminal networks will continue to seek out individuals within law enforcement and other public sector agencies and industry for the purpose of infiltration, corruption or facilitation to further their criminal activities.

4) Organised criminal networks are clandestine, operating in the black market economy

Organised crime pervades all parts of society and the economy, much of it operating within an 'invisible', clandestine, black market economy. This makes it difficult to understand the operations of organised criminal enterprises. Operating outside legitimate systems may also provide organised crime with competitive advantages against legitimate market participants complying with regulatory and government revenue processes.

5) Organised criminal networks maintain a multi-jurisdictional and transnational presence

Serious organised crime groups with the capacity to operate across several jurisdictions—domestic or international—represent the highest threat to Australia. They have the capacity to undertake coordinated and widespread criminal activity and cause significant damage to the Australian economy.

KEY ELEMENTS OF THE FRAMEWORK

The Framework sets out a coordinated and cohesive whole-of-government approach to addressing organised crime. Implementing this approach will require a better understanding of the organised crime environment. It will also require mechanisms which promote collaboration and information and intelligence sharing across the Commonwealth.

The **key elements of the Framework** are:

- 1) an **Organised Crime Threat Assessment (OCTA)** to provide a shared picture among relevant stakeholders of the most significant threats and harms arising from organised criminal activity
- 2) an **Organised Crime Response Plan (OCRP)** to align Commonwealth efforts to both identified and emerging organised crime threats, and
- 3) **multi-agency responses** to develop and deliver operational, policy, regulatory and legislative responses to organised crime.

These key elements respond to the flexible and dynamic nature of organised crime groups.

They establish a coordinated and targeted whole-of-government response based on priority areas of action. The priority areas of action will be informed by the development of a national OCTA and will be outlined in an OCRP. Both the OCTA and OCRP will be reviewed and updated every two years. This will ensure the Commonwealth response—including operational, policy, regulatory and prevention measures—is updated as new threats emerge and priority areas change.

1) Develop an Organised Crime Threat Assessment (OCTA)

Organised crime by its nature seeks to conceal its activities. This poses challenges for government in attempting to identify the highest level threats and harms to the community. An effective Government response requires the alignment of government resources to the priority areas of action.

To establish the priority areas of action, a picture of the most significant threats and harms arising from organised criminal activities is necessary. This picture will be provided by the OCTA, which will be developed and shared widely among relevant stakeholders.

The OCTA will improve our understanding of organised crime as it relates to the impact on the community, major activities and actors, market vulnerabilities and areas that would benefit from further intelligence or risk analysis. The OCTA will also promote information and intelligence exchange across Commonwealth agencies.

2. Develop an Organised Crime Response Plan (OCRP)

Recognising the need for responses to be based upon a sound understanding of the nature and characteristics of the organised crime environment, the Commonwealth will develop an OCRP to align efforts to identified critical organised crime threats.

Informed by and reflecting the key judgments contained within the OCTA, the OCRP will establish agreed Commonwealth priorities for addressing organised crime and enable agencies to align resources and functions, and inform capability development requirements. The OCRP will also detail the multi-agency actions plans and deliverables against each priority.

3. Implementation of multi-agency approaches

Multi-agency approaches—both operational and policy or regulatory—underpin a whole-of-government approach to organised crime.

Multi-agency operational approaches, such as Task Forces, will draw on the skills, expertise, knowledge (including intelligence) and powers across Commonwealth law enforcement agencies to detect, investigate and prosecute organised crime networks. These approaches will also engage state, territory and international partners to deliver a comprehensive response to specific organised crime threats. The continuation of current arrangements, including the ACC Board and existing task forces are supported under the Framework.



Multi-agency policy or regulatory approaches, such as working groups comprising officers from both law enforcement and non-law enforcement sectors, will build stronger prevention and disruption measures, including:

- policy, regulatory or legislative initiatives to reduce opportunities for organised criminal activity
- improved intelligence collection, analysis and sharing capabilities, and
- engagement with business and the broader community to raise awareness of organised crime networks, how they operate and the specific risks they present.

These working groups will be established by the Heads of Commonwealth Operational Law Enforcement Agencies (HOCOLEA) on an as needs basis, to progress specific aspects of the OCRP.

Multi-agency approaches could be further enhanced by the development of a Criminal Intelligence Fusion Capability (see capability 1 below) which would provide for the co-location of agency staff and systems. This would ensure greater efficiency and productivity across agencies, as it would pool analytical skills and provide shared access to multiple Commonwealth data and intelligence holdings.

FIVE CAPABILITIES TO SUPPORT THE RESPONSE TO ORGANISED CRIME

To support the response to organised crime and implementation of the Framework the following **five capabilities** are required:

- Capability 1: Intelligence, Information Sharing and Interoperability
- Capability 2: Targeting the Criminal Economy
- Capability 3: Investigation, Prosecution and Offender Management
- Capability 4: Preventative Partnerships with Industry and the Community, and
- Capability 5: International, Domestic and Commonwealth Partnerships.

These capabilities will be developed and implemented by law enforcement agencies over time.

Capability 1: Intelligence, Information Sharing and Interoperability

This capability seeks to enhance the understanding of organised crime by responding to the challenge of organised criminal networks being clandestine in nature and operating in the black market economy.

An intelligence-led approach is a fundamental requirement to successfully respond to organised crime. It informs forward planning and operational deployment of resources. It also informs policy, regulatory and legislative responses.

To develop a complete intelligence picture, it is essential to have analysts capable of providing the highest quality intelligence. Each agency (see below) has a different role to play and their needs in terms of intelligence can differ in some regards. However, there are significant benefits from the development of intelligence capability and operation at a whole-of-government level rather than an agency level. This enables more effective use of the data and intelligence holdings of each agency and their particular analytical skills and system capabilities.

The development of a Criminal Intelligence Fusion Capability would improve the multi-agency response to organised crime by:

- providing a timely central point of contact for fast exchange of information between agencies

- providing a central point for agencies to quickly obtain information to assist with ongoing intelligence operations
- supporting the working groups by referring key issues for intelligence assessment, and
- developing coordinated multi-agency intelligence focused on a number of key vulnerabilities or critical threats as outlined in the OCTA.

Agencies responsible for responding to organised crime:

Attorney-General's Portfolio

Attorney-General's Department
Australian Crime Commission
Australian Federal Police
Australian Customs and Border Protection Service
Australian Transaction Reports & Analysis Centre
CrimTrac
Office of the Commonwealth Director of Public Prosecutions
Australian Commission for Law Enforcement Integrity
Australian Institute of Criminology
Australian Security Intelligence Organisation

The Treasury Portfolio

Department of the Treasury
Australian Securities and Investments Commission
Australian Taxation Office
Reserve Bank of Australia
Australian Competition and Consumer Commission
The Australian Prudential Regulation Authority

Other Agencies

Department of the Prime Minister and Cabinet
Department of Finance and Deregulation
Department of Immigration and Citizenship
Office of Transport Security
Department of Foreign Affairs and Trade
Office of National Assessments
Department of Agriculture, Fisheries and Forestry
Australian Quarantine and Inspection Service
Australian Fisheries Management Authority

Intelligence, Information Sharing and Interoperability

The following will ensure that the Australian Government is able to respond to the challenge of clandestine criminal networks operating in the black market economy:

- 1.1 The use of **agreed quality standards of intelligence** to drive operational resource allocation, tasking and whole-of-government decision-making in a timely and appropriate manner.
- 1.2 The establishment of a **Criminal Intelligence Fusion Capability** to maximise the efficiency of Commonwealth data and intelligence holdings and the use of analytical skills and systems of each agency.
- 1.3 The development of an **organised crime intelligence model** to provide clarity and consistency of standards, processes and protocols for intelligence-led policing and law enforcement work to enhance the national picture of organised crime.
- 1.4 Strong **forensic intelligence** to underpin our understanding, investigation and responses to organised crime.
- 1.5 Strong **research and development** through articulated research priorities.
- 1.6 Legislative reforms to **remove impediments to information and intelligence sharing**.
- 1.7 Adequate **information sharing guidelines or practice notes** to clarify the legal ability and need to share intelligence and information where appropriate.

Capability 2: Targeting the Criminal Economy

This capability outlines a strong approach to targeting the criminal economy to respond to the challenge posed by the profit motive of organised crime.

The Government's objective is to make the business of organised crime unviable—to create an environment that is so openly hostile to organised crime that it disables its activities. Tracking the movement of illicit funds and seizing the proceeds of crime are important aspects of any response to organised crime. This will require a proactive response across all government agencies.

We must ensure we have the balance right in terms of laws that deal effectively with facilitators, tracking the movement of illicit funds, money laundering offences, identity crime, criminal asset confiscation approaches, effective use of taxation powers and measures that use the skills and capabilities of law enforcement and prosecutors to most effect.

Targeting the Criminal Economy

The following will respond to the challenge posed by the profit motive of organised crime:

- 2.1 Use of **financial analysts, market specialists, and forensic specialists** (particularly computer forensics), to support intelligence, investigation and prosecution functions.
- 2.2 **Strong criminal asset confiscation** including effective investigation and use of conviction and non-conviction based confiscation under the *Proceeds of Crime Act 2002*.
- 2.3 Strong **use of taxation information and powers** against those involved in criminal enterprises.
- 2.4 Using **financial intelligence and data used in criminal assets confiscation**.
- 2.5 Strong **laws and administrative arrangements** underpinning criminal asset confiscation regimes.

Capability 3: Investigation, Prosecution and Offender Management

This capability outlines an approach based on investigation, prosecution and offender management designed to meet the challenges posed by flexible, dynamic, innovative and resilient criminal networks.

The investigation, prosecution and management of offenders are key deterrents for organised criminal activity. The multi-national nature of organised crime requires an integrated, whole-of-government approach to intelligence and investigation operations. Further, the successful investigation and prosecution of persons involved in organised criminal activity also depends on responsive and effective mechanisms for international cooperation in criminal matters. Extradition and mutual assistance are key international crime cooperation tools.

Investigation, Prosecution and Offender Management

The following will respond to the challenges posed by flexible, dynamic, innovative and resilient criminal networks:

- 3.1 **Post-operational assessments** to improve our understanding of how organised crime operates, including areas and means of exploitation, and an assessment of the lessons learned from various tactical approaches to intelligence and investigation operations.
- 3.2 **Strong legislation to support the ability of law enforcement agencies** to conduct effective operations targeting organised crime spanning multiple jurisdictions.
- 3.3 **Effective mechanisms for prioritisation of organised crime targets** to ensure that finite resources are continually directed toward reducing the impact of organised crime.

- 3.4 **Cross agency management teams** to determine clear arrangements for investigations and broader strategies that may be required to achieve results.
- 3.5 A **national case management capability**.
- 3.6 A strong **federal sentencing and offender management regime** including the use of special conditions in parole orders to restrict opportunities for future criminal activity.

Capability 4: Preventative Partnerships with Industry and the Community

This capability outlines an approach based on prevention partnerships with industry and the community to meet the challenges posed by organised crime groups engaging in criminal infiltration, corruption and the use of facilitators.

Government has a role to play in alerting the community of the risks associated with organised criminal activity, and promoting a stronger prevention or 'target hardening' approach. An understanding of the capacity for organised crime to infiltrate legitimate markets and exploit the broader community is essential to deny opportunities for criminals. Collaborative prevention partnerships between the public and private sector underpin the Framework.

Further, organised crime has actively infiltrated critical infrastructure, such as ports, and aviation and telecommunications facilities, to facilitate criminal activities. Several states and territories allow criminal intelligence to be used in business licensing decisions. Intelligence is also used overseas to undermine organised crime attempts to infiltrate business or to establish business fronts.

Preventative Partnerships with Industry and the Community

The following will respond to the challenge posed by organised crime groups engaging in criminal infiltration, corruption and the use of facilitators:

- 4.1 An **industry forum to consider organised crime prevention responses** based on strategic criminal intelligence.
- 4.2 **Engagement with the community** on specific preventative organised crime issues, which would also be articulated through the OCRP.
- 4.3 **Exchange of criminal intelligence, where appropriate, to assist industry protect critical infrastructure.**

Capability 5: International, Domestic and Commonwealth Partnerships

This capability outlines an approach for international, domestic and Commonwealth partnerships to meet the challenges posed by organised crime maintaining a multi-jurisdictional and transnational presence.

Organised crime does not recognise borders.

The Australian community will increasingly expect an effective and coordinated approach to organised crime.

A strong partnership with state and territory agencies will underpin a national response.

At the international level there is a continuing need to engage with partners to disable organised crime activities and networks, to develop law enforcement capabilities (including technical, legislative, and operational) and to enhance our understanding of how organised crime operates.

The threat posed by transnational organised crime in particular demands a concerted and coordinated international response. The globalisation of financial systems and advances

in communication technology has made it easier for criminal networks to conduct their illegal enterprises across multiple jurisdictions, and to seek safe haven for their person and proceeds of crime. With organised criminal groups acting simultaneously at the local, national and international levels, investigations are increasingly likely to have an international aspect.

It is not possible for Australia or any one country to counter the threat of transnational organised crime by acting alone. International engagement is vital in disabling criminal activities and networks and promoting the security and stability of our region.

International, Domestic and Commonwealth Partnerships

The following will respond to the challenge posed by organised criminal networks with the capacity to operate across multiple jurisdictions, both domestic and international:

At the **Commonwealth level:**

- 5.1 Implementation of the key elements of the Organised Crime Strategic Framework (OCTA, OCRP and multi-agency responses) and coordination with key existing or new strategies and plans that enhance the broader national security environment.

At the **National level:**

- 5.2 A national approach to organised crime developed through the Standing Committee of Attorneys-General, the Ministerial Council for Police and Emergency Management – Police (MCPEMP) and operationally through the ACC Board.

At the *International level*:

- 5.3 An **assessment of the gaps in regional countries' laws against transnational organised crimes** such as people smuggling, to inform priority areas of technical legal assistance.
- 5.4 Enhancing the **exchange of criminal intelligence and information**.
- 5.5 Closer **international working relationships** on the development of policy responses to organised crime and the sharing of best practice initiatives on prevention and disruption.
- 5.6 **Bilateral and multilateral organised crime frameworks** with international partners to strengthen information sharing and leading practice benchmarking.
- 5.7 A dedicated, coordinated **network of Australian law enforcement officers** working directly with international partner agencies.
- 5.8 Deliver **effective capability building and legislative assistance programs** in the Asia-Pacific.
- 5.9 Effective and streamlined arrangements for **international cooperation** including through mutual assistance and extradition in the investigation and prosecution of perpetrators and in accessing individuals of interest.
- 5.10 **Multi-lateral engagement on organised crime** through existing international forums.
- 5.11 Build **international links with other financial intelligence agencies** to ensure adequate information exchange for domestic law enforcement and regulatory agencies.

Implementation

The Framework builds on existing measures. Law enforcement agencies are already engaged and working to combat organised crime.

Implementation of the Framework includes:

- the production of the OCTA and OCRP on a biennial basis, and
- strengthening, over time, law enforcement capabilities to respond.

Implementation will occur through, and be governed by, existing forums that draw together the expertise, capabilities and responsibilities of a wide range of law enforcement, regulatory, legislative and policy agencies.

The ACC will provide leadership on criminal intelligence matters by producing the OCTA, and developing important capabilities and structures such as the Criminal Intelligence Fusion Centre and Organised Crime Intelligence Model. Operational responses will be delivered by the relevant law enforcement and regulatory agencies.

The Framework articulates the Commonwealth response to organised crime. Close collaboration will continue with key stakeholders, including states, territories and international partners to ensure a coordinated response.

While the Framework is a long-term strategy, it is also flexible and adaptable. It will identify current and emerging organised crime threats and respond accordingly. It will also exploit new law enforcement capabilities as they become available.

