

# Organised Crime Strategy

*Developing a whole of government  
approach to combat organised crime*

*March 2008 - June 2009*

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# Introduction

## Overview

This Strategy provides a multi-faceted approach to the problem of organised crime networks, gangs and groups. It builds on the work currently underway in many agencies and local communities to combat organised crime and is designed to ensure there is a robust process for identifying and addressing organised crime risks as they emerge. It develops a co-ordinated approach for agencies across government to reduce organised crime. Further initiatives will be set out in a three year strategy from 2009.

This Strategy strikes a balance between addressing the underlying factors leading to involvement in gangs and organised crime and targeting current and emerging criminal activity. It will:

- enhance legislative powers - for example, increasing the penalty for participation in organised crime and proposing a new forfeiture regime enhancing the Crown's ability to confiscate the proceeds of crime
- improve the cross-government coordination in intelligence gathering, sharing and joint enforcement actions through the development of the Organised and Financial Crime Agency New Zealand (OFCANZ)
- enhance our understanding of the effectiveness of measures to reduce the development and growth of organised crime, through community-based approaches and enforcement-based activities
- support and encourage communities and government agencies to jointly develop solutions to reduce the impact of organised crime and gangs.

Organised crime is fluid and constantly evolving. It is unhelpful to define a rigid set of crimes and criminal groups. Instead the Strategy sets out a process for

identifying and assessing organised crime risks annually. This will guide the work of OFCANZ and set priorities for government agencies' individual and collaborative programmes.

This Strategy emphasises an intelligence-driven approach to disrupt activities and dismantle criminal networks. Law enforcement activities will be focussed on the upper-levels of organised crime. Operations will bring key individuals before the Courts and actively disrupt groups through depriving them of the proceeds of crime, access to assets and distribution networks.

An intelligence-led Strategy will require enhanced analytical capabilities with the development of new approaches for tracking financial movements connected with organised crime. It will also identify new technologies that can protect property from theft, for example new encryption techniques for banking.

Organised crime responds quickly to its changing environment and offending patterns change as organised criminals adopt new technologies and methods. The Strategy establishes a robust process for identifying and targeting new and developing patterns of criminal activity and threats in order to remain one step ahead.

## Organised Crime in New Zealand

Organised crime in New Zealand has become characterised by loose networks between groups and individuals. Interventions at one level will impact on other levels. For example, drugs imported by trans-national criminal groups are often distributed by domestic criminal groups and gangs. These can then be sold at the street level by less organised criminal groups. Interventions that reduce the level of drugs imported will therefore impact on both street level and serious organised criminal offending.

Organised crime groups are law enforcement conscious. They may use intimidation, violence and corruption to protect themselves and spread their activities across a number of jurisdictions. It is therefore critical that

agencies coordinate their activities to maximise their combined impact on organised criminality.

New Zealand is a signatory to the United Nations Convention against Trans-National Organised Crime. The convention requires countries to introduce measures to combat trans-national money laundering and trans-national corruption criminalise membership of organised criminal groups and enable the proceeds of crime to be confiscated.

## *Organised Crime Networks in New Zealand*

The operation and activities of organised criminal networks, groups and gangs in New Zealand will present ongoing challenges to the justice and social sector.

Organised crime networks, gangs and groups vary greatly in size, geography, criminal sophistication, modus operandi and their impact on communities. There is great diversity in membership with all races and ethnic backgrounds included.

Some of the gangs and groups are not operating at a high level of seriousness in terms of crimes planned and committed. Some groups, particularly youth groups, although potentially intimidating to the public, are not involved in serious or organised crime.

The Strategy classifies the current networks, gangs and groups by their structure, activities and markets. These classifications are not rigid as identified groups can often fit into more than one classification and change over time is common.

## *Street Level Gangs*

This category encapsulates the more disorganised groups, engaged in minor criminal activity or territorial aggression. Youth groups feature predominately in this category. They are relatively disorganised, transitory and very localised.

This type of group is not the focus of the Strategy. It is

important to ensure that risk taking, and delinquent behaviours common to some youth, is not branded as organised crime.

However there can be affiliations between youth groups and adult gangs, they can carry out criminal acts on behalf of adult gangs and they also provide fertile recruitment grounds for the more criminally-orientated gangs. The Strategy recognises this and supports action to reduce the opportunities these groups provide to organised crime.

### ***Territorial Gangs***

With similarities to street level gangs, territorial gangs tend to dominate a specific geographic area and can monopolise the criminal trade in that area. Local ties are often the key to membership.

Well known and established gangs with 'chapters' throughout New Zealand feature predominately in this category. There is large variation in the scale, nature and sophistication of offending between gangs and 'chapters'. However, these gangs can pose a threat to public safety through intimidation and violence against each other and the public.

These gangs are often involved in drug manufacture and sale, frequently focussing on products supplied locally rather than those that need to be sourced off-shore.

The extent of their membership and scale of operations justifies significant focus on these gangs in all areas of the strategy ranging from managing the social factors which encourage membership through to enforcement action.

### ***Organised Gangs***

These gangs have identifying factors similar to those of the territorial gangs but criminal activity has transcended to a national level, often without strong formal linkages to international activity.

Criminal activity has shifted to money making operations and this change has meant their activities are increasingly more difficult to detect and target and offending patterns are more sophisticated and covert.

Some territorial gangs also have 'chapters' that operate at an organised level. Outlaw Motorcycle Gangs feature predominately in this category.

### ***Trans-national Groups***

The trans-national category encompasses criminal activity that is organised across national boundaries, also including groups who target New Zealand, but are primarily based offshore. As globalisation has expanded international trade, the range of organised criminal activities has broadened and diversified. Trans-national organised criminal activities can be deeply integrated with the mainstream economy, relying on the infrastructure of the legitimate business world to function.

Trans-national organised crime is active within New Zealand. The offending is fluid and constantly changing and ranges from low level facilitation and commission of offending to large-scale, high level operations driven by trans-national crime entities.

### ***Impact of Organised Crime***

There is growing concern internationally about the scale and scope of organised crime activity. This is reflected in the recent establishment of organised crime agencies in the United Kingdom and Australia.

Throughout the world, the scale of organised crime is difficult to determine due to the dynamic nature of activities and structures. However, international organised crime is estimated to be worth US\$2 trillion<sup>1</sup> and in New Zealand, enforcement agencies consider organised crime as growing, as it is offshore.

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<sup>1</sup> State of the Future survey by the World Federation of United Nations Associations

The following examples indicate the scope of organised criminal activity in New Zealand:

- In 2006, New Zealand Police and Customs seized over 2 million pseudoephedrine tablets and a total of 113kg of methamphetamine. At a street level price of \$1000 per gram the methamphetamine seizure is worth \$113m. It is estimated that the total value of the methamphetamine market in New Zealand at retail value is in excess of NZ \$1 billion.
- The Ministry of Fisheries estimates that between 400 and 950 tons of paua are illicitly extracted each year. This has a corresponding street value of \$18m to \$43m and a commercial value as high as \$80m.
- Identity fraud is an integral part of organised criminal offending. The Department of Internal Affairs detected 105 fraudulent passport applications between 2002 and 2006.

### **Activities connected with organised crime**

At the heart of organised crime is the profit motive. The degree of motivation for undertaking particular criminal activities will depend on the risks and rewards associated with that activity.

#### ***Drug Trafficking, Manufacturing and Supply***

The United Nations on Drugs and Crime estimates that the global retail market for illicit drugs is US\$320 billion.

The last ten years has seen a shift in the New Zealand drugs scene with an increasing number of overseas-based groups seeking to exploit the New Zealand market, especially those engaged in the amphetamine type stimulant trade. These groups are profit motivated professionals employing sophisticated modus operandi who traffic drugs on a very large scale.

Higher potency purer methamphetamine has become popular in New Zealand, and is manufactured illicitly

using legally produced precursors.

However, cannabis remains the primary illicit drug of abuse in New Zealand. There has long been concern over the role that illicit cannabis cultivation is playing in the development and profits of organised crime.

### ***Immigration offences***

The main types of immigration related crime identified by Immigration New Zealand are visa applications supported by fraudulent documents, document forgery and people smuggling.

People smuggling is the organised facilitation of immigrants to another country for profit. It involves the provision of false documentation, the abuse of legitimate methods of entry and illegal working.

Organised crime syndicates have demonstrated a high level of sophistication and creativity in producing and obtaining identity documents. As law enforcement agencies tighten up verification procedures, new techniques in document forgery have been developed.

### ***Fisheries offences – poaching and black market activity***

Poaching and black market activity usually involves the illegal taking, distribution and sale of high value products, for example pāua. Pāua is a high value, low volume species that has been shown to be vulnerable to exploitation by organised crime groups.

Fisheries offences within New Zealand include the illegal harvesting and sale of seafood (pāua and rock lobster). The products are sold to local buyers or smuggled offshore.

### ***Wildlife, Flora and Fauna***

The Ministry of Agriculture and Forestry has estimated that globally, wildlife smuggling is estimated to be worth \$NZD9.5 billion to \$NZD16 billion a year, ranking third behind narcotics and arms smuggling. The illegal

importation of wildlife to New Zealand runs the considerable risk of introducing pests and disease that could affect our primary industries.

Kea kaka, tuatara and frogs are some of the native New Zealand fauna caught up in the international smuggling networks. To date, high rewards and relatively low risk of detection and punishment have made the illegal wildlife trade attractive to organised criminals.

### ***Corruption and Money Laundering***

Key activities that facilitate organised crime include money laundering and corruption and bribery of officials.

New Zealand is generally considered to have a very low level of domestic corruption, ranking first equal (with Finland and Iceland) as being perceived as the least corrupt of 163 countries in the 2006 Corruption Perception Index. New Zealand's standing in this survey is due to the general level of cultural intolerance to corruption and bribery, as well as our compliance and support for international obligations associated with addressing corruption.

The aim of most organised criminal activity is to generate profit, and money laundering is the process of turning those profits into seemingly legitimate funds or assets. It utilises complex financial transactions to reduce detection and is similar to fraud in its methodology.

### ***Extortion and Kidnapping***

Extortion and blackmailing is a 'traditional' activity of organised crime groups and networks. Extortion involves the gaining of property or money by either force or by the threat of violence. Kidnapping is used as a means of coercion and punishment. It is also used by serious organised criminals as a way to obtain money. Violence, whether threatened or actual, is a common feature.

### ***Fraud***

Fraud involves obtaining financial gain by deception. Fraud is often committed against the government via the tax and benefit systems. However, fraud is also committed against individuals and companies in a wide variety of ways and often by organised crime groups. For example, such fraud occurs against banks, often involving false or stolen identities; counterfeiting; and investment fraud.

Large-scale fraud in the commercial sector is often committed by individuals and therefore falls outside of the work of the OCS. However, some serious or complex fraud is committed by organised groups that do fall within the OCS scope.

### ***E-crime***

The internet and growth in the scale of electronic financial transactions have been exploited by organised criminals as a new avenue for high gain fraud. The global nature of the internet has amplified the scope of traditional criminal behaviour and the international nature of offending and victimisation.

### ***Volume Crime***

Organised criminal groups are responsible for establishing networks for large numbers of thefts and the distribution of stolen goods. These offences include thefts of and from motor vehicles, burglary and shoplifting.

# Goals and Objectives

The Strategy has four components with specific goals and objectives. These have been developed to reflect the breadth of activities required to reduce the impact of organised crime in New Zealand.

The establishment of the Organised and Financial Crime Agency New Zealand (OFCANZ) within Police will create strong leadership for the establishment of a whole of government approach to combat organised crime. OFCANZ will also tackle serious or complex fraud. This type of offence can be committed by single individuals acting alone and therefore does not always fall within the scope of organised crime and the scope of this strategy.

The strategy framework focuses on how *community*-based engagement and social resources can help stop organised crime gaining an increasing foothold in New Zealand society and economy. For example, many youth ‘gangs’ are groups engaged in street-level offending rather than ‘organised’ criminal activities. Accordingly, a range of targeted programmes to engage with at-risk youth by government and community agencies can help ensure that these youths do not become targets for recruitment into organised crime in the future.

The second component focuses on specific *prevention* measures that can be undertaken to reduce and disrupt organised crime. These include working with communities, improved risk assessment processes by agencies, preventative work targeted at specific offence types, building greater linkages with the private sector and using social resources to help individuals, families and groups build lives outside of organised crime.

The final two components focus on the elimination and disruption of current and emerging organised crime through improved *intelligence* gathering analysis and sharing and enhanced investigation and law *enforcement*.

The intelligence and enforcement components of the Strategy will be a focus for all agencies, assisted by OFCANZ. Proposed amendments to legislation will also enhance enforcement functions and improve the prosecution of organised crime.

## Community – Building community resilience and empowerment through engagement

The Strategy directs work with communities to address some of the societal and economic drivers that influence gang formation and membership and develop ways to minimise connections of gangs with organised crime.

Gangs with organised criminal links are a strong inter-generational cultural phenomena. Youth groups may have links (often as prospects) to more established adult gangs, who may in turn have connections to organised crime. In order to minimise their connections and involvement with serious organised criminal activity, it is important to provide opportunities for employment and build strong family linkages to help draw people away from participation in gangs and organised criminality.

An effective measure against organised crime is to deprive organised crime groups of their recruits at the local level. The Ministry of Social Development’s research work undertaken in Counties Manukau and Auckland City on youth gangs confirmed that multiple and interrelated adverse social, economic and family conditions underlie the formation of youth gangs and involvement in crime.

A key difficulty associated with building community engagement to address organised crime is a lack of understanding by the public of the insidious nature of organised crime.

Low-level street offending, burglary, theft and violence by individuals and gangs can be more visible to the public than serious and organised criminal activities. Commercial criminal activities (such as e-crime) by trans-national groups are usually invisible to the general public

who are only indirectly touched by such activities for example, through rising costs to ensure secure electronic banking or their internet services.

## Enhanced Approach

The Strategy sets out an approach to build community engagement by better informing people about organised crime and to encourage the public to be more active in working with agencies to address this problem. Increased knowledge of organised crime will be achieved through greater publicity and awareness-raising activities for example, web-based material and publication of investigations and prosecutions of organised crime. The public will be encouraged to play an active role in reporting suspected organised criminal activity.

A long term strategic approach is the delivery of social intervention programmes which have been identified as being effective in addressing gang involvement and engagement in organised criminal activity. These programmes are designed to change the desire of individuals to be involved, by promoting community engagement in working to find permanent solutions that inhibit the development of organised crime.

There are several current initiatives seeking to prevent and reduce offending by youth for example, the Youth Offending Strategy and Strengthening Families. The vast majority of youth offending has no connection to organised crime. However, targeted approaches can prevent youth from embarking on a path leading towards membership in gangs and organised crime activity. South Auckland is a high-risk area for youth and gang activity. Specific programmes have been developed to address young people’s involvement in criminal activity. The Strategy will build on these existing initiatives and encourage similar initiatives in other parts of New Zealand.

Government agencies will work with community organisations and social agencies to develop programmes that assist gang members develop avenues other than criminal activity, for example through education, training and employment programmes.

The strategy will ensure the development of an annual risk assessment that will aim to provide details of the scale and scope of organised crime and highlight the trends and developments over each twelve-month period. The assessment will support and complement work being done at a national and international level to combat organised crime.

### **Prevention – Strengthening collaborative approaches to prevention**

Sound prevention of organised crime rests on having a good understanding of the factors that facilitate and/or inhibit the development of organised crime. Organised crime is a business process, driven by the profit motive; it requires a level of skill, technical know-how, distribution networks, logistics planning and money laundering capabilities.

Crime is shaped by the motivational and cultural environments in which they occur. The key motivational factor revolves around money. Therefore, prevention activities need to focus on this aspect to combat organised crime.

The invisible nature of much organised crime can make it difficult to have a clear understanding of the factors that facilitate or inhibit organised crime. Prevention is based on improving our understanding of the ‘risk’ factors that signal organised criminal activity as well as working to limit the ability of organised criminal networks to function within the ‘legitimate’ sector of the economy.

Organised criminal activity can work through legitimate businesses, often remaining invisible to those companies. Working with the private sector will support increased

businesses awareness of suspicious activity that is linked to organised crime. Private sector organisations can alert enforcement agencies to suspected criminal activities and behaviours that can change very quickly for example in the area of e-crime.

Working together with the private sector will provide a valuable complement to the intelligence available to law enforcement agencies, ensuring greater efficiency and effectiveness in their operations. This relationship is critical in some of the key initiatives governments are adopting to fight organised crime internationally such as following the money trail and recovering assets from organised criminals.

It is also important to ensure that New Zealand maintains its high ranking internationally as being a country that is perceived to be free of corruption. This high standing will enhance our ability to address organised crime as well as being a feature that enables the achievement of other government goals.

#### ***Enhanced Approach***

The Strategy will ensure that the current integrity of New Zealand government officials is maintained. A well-functioning, transparent justice system, where the integrity of the police and the courts is assured, is critical to the success of any strategy aimed at reducing organised crime.

Maintaining the integrity of New Zealand companies and individuals operating internationally is also important. The OECD recently reported on New Zealand’s implementation of the OECD Anti-Bribery Convention (November 2006). Overall, the Working Group found that New Zealand has engaged in significant and positive efforts in fighting foreign bribery, but recommended some changes. The Ministry of Justice and other agencies are currently implementing the OECD’s recommendations.

The Strategy emphasises that corruption and bribery whether of officials in a domestic setting or by

companies or citizens overseas cannot take hold. The development of a National Anti-Corruption Strategy will seek to maintain frontline integrity.

Organised crime dominates methamphetamine manufacture and distribution in New Zealand. The manufacture of methamphetamine requires the use of a number of chemical precursors. A strategy initiative is to introduce a precursor chemical control regime that will seek to reduce profits readily derived by organised crime groups via production of methamphetamine and amphetamine.

This Strategy promotes a more coherent engagement with the private sector to combat organised crime, while recognising the important role the private sector currently plays in deterring and advising on fraud, e-crime, money laundering and other financial crimes.

Agencies will work to support the Department of Internal Affairs develop an identity fraud control framework. Identity crime is an increasing component in many offences in New Zealand, often acting as a precursor or enabler to other serious crime. Fraudulent and stolen identities can facilitate organised crime for example, multi jurisdiction fraud, people trafficking and money laundering.

A further area that requires work is organised criminals use of legal instruments and structures, such as trademarks and companies, to determine to what extent response mechanisms are required.

The Strategy promotes the establishment of the whole of vehicle marking program. This program will help reduce vehicle crime by enabling stolen vehicles to be more easily traced, acting as a deterrent for criminals. The introduction of this system will assist in the prevention, detection and provision of evidence for more successful prosecutions of organised crime groups.

Given the cultural diversity of New Zealand's population, it is important that all agencies work with community groups to ensure that all population groups feel safe and comfortable in reporting organised criminal behaviour.

### **Intelligence – Improving the gathering, secure sharing and effective use of information**

Intelligence is critical for decision-making, effective planning, strategic targeting and resource deployment. Law enforcement agencies cannot function effectively without collecting, processing, analysing and using intelligence. Risk assessments and prioritisation also require a strong intelligence base.

The changing criminal environment demands knowledge that is current and relevant. Effective intelligence management enables the identification and subsequent targeting of serious criminal activity. It is the ability to develop and disseminate intelligence that informs partners and directs crime prevention and reduction.

Globalisation has accelerated the impact of organised and trans-national organised crime. The rapid mobility of people, money, information and commodities has provided new opportunities for crime and new challenges for law enforcement. Modern technology facilitates the ease of travel and communication and provides cover for the legitimate and illegitimate businesses exploited by organised crime.

Many current intelligence systems are area based. This restricts the ability to coordinate and aggregate intelligence at the highest level. Area level intelligence is highly influenced by measurable crime types that readily form agencies organisational performance framework. Area level intelligence gathering tends to be dominated by types of crime that are easily detected and measured.

Intelligence is frequently sensitive, obtained from covert sources and relevant to current investigative and/or

operational activity. Agencies are often cautious and reluctant about widely distributing this intelligence. However, stronger intelligence functions will enable a better focus of resources on the most serious organised crime threats and individuals.

New Zealand currently has several information exchange inter-agency agreements and Memoranda of Understanding. But often information exchanges remain largely dependent on 'person to person' networks. A more formal framework for ensuring the comprehensive gathering and confident sharing and use of intelligence is required.

The Strategy recognises that protocols are essential for the effective collection, analysis, secure sharing and usage of intelligence. These will enable agencies to identify and respond effectively to current and emerging organised crime activity. These protocols will be developed through inter-agency collaboration, with leadership from OFCANZ.

#### ***Enhanced Approach***

The National Intelligence Model will provide a vehicle for intelligence to be centrally collated, assessed and disseminated to relevant agencies. Information sharing has sometimes been unduly restricted due to the differing and conservative interpretation of privacy laws. The Strategy aims to ensure that information should be as freely available and confidently shared amongst key agencies as legislation will permit.

The Strategy will also develop a 'shared' National Intelligence Model to capture information, assessments and trends from regional, national and international agencies. The Model will provide both tactical and strategic assessments so decision-makers can undertake clear and well informed responses. Developing, maintaining and sharing an overview of organised crime intelligence will allow agencies to:

- anticipate and forecast organised crime trends and patterns

- prioritise organised criminal groups and activities for investigation
- enhance tactical and strategic targeting and disruption of networks
- effectively deploy resources to those target areas.

The Strategy also proposes the development of intelligence protocols and guidelines. This will ensure standardisation and consistency of intelligence storage and dissemination. New Zealand's strategic relationships with key international partners will mean that best-practice meets accepted international standards. The sharing of internally-derived intelligence with international partners will also be enhanced through these new standards.

Intelligence gathering and sharing will be significantly improved through the development of organised crime expertise. Individual's expertise will be improved through development and training programmes for investigative staff and further developed during multi-agency operations run by OFCANZ.

### **Enforcement – Ensuring optimal disruption, investigation and prosecution of organised criminal activity**

This component brings together agencies' operational responses to the emerging threats from organised crime, investigates and disrupts those threats, and in doing so will reduce risk, build strong criminal cases and achieves successful prosecutions against key targets.

Targeting key assets and people within organised criminal networks will significantly weaken criminal infrastructure. Organised criminal networks differ greatly, depending upon their cultural and national settings and the size and sophistication of the criminal 'business' in which they operate. Approaches to weakening or disrupting their infrastructure must reflect



this diversity.

An enhanced enforcement approach will reduce the following key characteristics (and challenges) of organised crime:

- Networking between local and international groups
- High level awareness of law enforcement, for example counter surveillance measures
- Inter-relationship between different types of offending
- Difficulty in developing information sources
- Use of fear and violence to intimidate witnesses and victims, discipline members etc
- Ability to operate over longer periods of time and ability to suspend activities temporarily
- Access to considerable financial resources
- Ability to corrupt officials and organisations and gather information on enforcement capability
- Access to support, financing and criminal modus operandi from overseas counterparts.

### ***Enhanced Approach***

Enforcement operations seek to disrupt activities in targeted priority areas, reduce profit incentive and increase the risk of apprehension. Several agencies are involved in investigating and prosecuting organised crime. Shared investigative standards and the development of 'best practice' investigative procedures will enable cooperative enforcement activities. The establishment of the Organised and Financial Crime Agency New Zealand (OFCANZ) will ensure a collaborative enforcement approach between agencies and will establish multi-agency taskforces for priority investigations.

The Serious Organised Crime Agency New Zealand will provide direction and leadership for law enforcement agencies in the investigation and prosecution of organised crime.

A collaborative approach to enforcement will enable shared use of new technologies for surveillance, inspection and examination along with monitoring the use of new technologies by organised crime groups and the development of appropriate responses. It will also provide innovative investigative techniques.

Stronger, more effective international arrangements will continue to be an important component in New Zealand's strategic approach to fighting organised crime. OFCANZ will strengthen New Zealand's partnership with other organised crime agencies (for example, UK's Serious Organised Crime Agency) and provide direction and leadership for law enforcement agencies in the investigation and prosecution of organised crime.

Law enforcement agencies traditionally measure disruptions by counting arrests made, drugs seized, warrants executed and searches undertaken. This method measures the disruption processes rather than the actual impacts upon organised crime groups.

It is important to improve our understanding of the effectiveness of disruption tactics against organised crime. The Strategy will develop measures that enable us to quantify the extent of disruption in relation to the value of each organised crime group. Without such measures it will remain unclear if law enforcement is having the desired impact against organised crime.

Effective dismantling of organised crime requires the seizure of assets. The Criminal Proceeds (Recovery) Bill provides for a new forfeiture regime for the proceeds of crime. This legislation gives the Crown the power to confiscate profits and assets obtained through significant criminal activity. It uses a less stringent civil standard of proof based on the balance of probability (without the need for a criminal conviction of key individuals within an organised criminal group).

The Organised Crime (Penalties and Sentencing) Bill will increase the penalty for the offence of participation in an

organised criminal group under section 98A of the Crime Act 1961 to a maximum of ten years imprisonment.

An objective guiding the Strategy is regular and informed revisions of legislation governing relevant investigative and prosecutorial procedures and tools.

One such area for proposed reform is the undercover witness protections afforded by section 108 of the Evidence Act 2006. These are limited to certain offences and exclude some crimes that are integral to the operations of organised criminal groups. For example firearms, class c controlled drugs and stolen property.

The dismantling of gangs and organised crime groups can be also reinforced by ensuring that they cannot operate and recruit members within prisons. For example, the Department of Corrections is currently pursuing a number of initiatives that will disrupt organised criminal activities within the prison environment, for example, drug dogs, mobile phone blocking, increased vehicle and personal checks and cell searches. Corrections are building links between prisoners and their families and the wider community along with educating prisoners about the negative aspects of gang membership with the aim of reducing the number joining gangs.

New Zealand Police are also continuing their efforts to reduce the availability of cannabis and associated drugs within New Zealand. In 2006-2007, the National Cannabis Operation resulted in over 700 arrests being made, ten methamphetamine laboratories being located, 12 proceeds of crime actions taken and over \$170,000 stolen property recovered. These figures highlight that cannabis operations are a 'whole of crime' operation and gateway into other organised criminal activity.

# Strategic Oversight and Monitoring

## Strategic oversight

Responsibility for the strategic oversight will be provided by an inter agency Chief Executive Group chaired by the Secretary for Justice with the Police Commissioner as deputy chair. The inter agency group will include a range of agencies who have a role in delivering the strategy and combating organised crime in New Zealand.

A progress report will be provided to cabinet in May 2009 including a three-year strategy effective from June 2009 for approval.

## International Linkages

This Strategy will recognise, maintain and strengthen New Zealand's key international partnerships. For example, the efforts to combat organised crime will significantly improve New Zealand's contribution to Interpol, the International Drug Enforcement Community, the Heads of Narcotic Law Enforcement Agencies, the Trans-national Targeting Network and the Police Liaison Officer Network.

### *United Nations Convention against Trans-national Organised Crime.*

The convention requires countries introduce measures to combat trans-national money laundering and trans-national corruption, criminalise membership of organised criminal groups and enable the proceeds of crime to be confiscated.

### *United Nations Convention against Corruption*

This Convention codifies measures to combat corruption in the public and private sector, including the criminalisation of corruption, measures to detect and deter money laundering and to permit the freezing, seizing and confiscation of the proceeds of crime.

### *United Nations Protocol against the illicit manufacturing of and Trafficking in Firearms, their Parts, Components and Ammunitions.*

The purpose of the protocol is to promote, facilitate and strengthen cooperation among States Parties in order to prevent, combat and eradicate the illicit manufacturing of and trafficking in firearms, their parts and components and ammunition.

### *United Nations Protocol to prevent, suppress and punish trafficking of persons.*

The Trafficking Protocol recognises that people-trafficking requires special measures because its targets are usually vulnerable in some way, for example, children.

### *United Nations Protocol on the smuggling of migrants by land, sea and air (Migrants Protocol).*

Its purpose is to prevent and combat the smuggling of migrants. The protocol includes the criminalisation of people-smuggling and associated activities.

### *Financial Action Task Force (FATF).*

FATF establishes standards combating money laundering and terrorist financing by implementing the FATF standards contained in the Recommendations, Interpretive Notes and Best Practice Guidelines.

## Linkages to New Zealand Strategies

A number of government agencies and community groups are already actively engaged in combating organised crime – from poaching to e-crime through to youth groups and work to minimise the harm associated with drug use. The aim of the organised crime strategy is to provide a coherent framework so that agencies and community groups can work together to reduce the impact of organised crime in New Zealand.

### *Youth Offending Strategy*

<http://www.msd.govt.nz/documents/publications/sector-policy/youth-strategy.pdf>

### *Identity Assurance Strategy (Draft)*

Department of Internal Affairs

### *Electronic Crime Strategy*

[www.police.govt.nz/service/ecrime/e-crime-strategy.pdf](http://www.police.govt.nz/service/ecrime/e-crime-strategy.pdf)

### *National Plan of Action to Prevent People Trafficking*

<http://justice.org.nz/pubs/reports/2006/stocktake-commercial-exploitation-children/foreword.html>

### *National Drug Policy 2007-12*

<http://www.moh.govt.nz/moh.nsf/indexmh/national-drug-policy-2007-2012>

### *Customs Drug Enforcement Strategy 2005-10*

<http://www.customs.govt.nz>

### *Crime Reduction Strategy*

<http://www.justice.govt.nz/crime-reduction/>

### *Justice Sector Information Strategy*

<http://www.justice.govt.nz/jsis/2006-strategy/index.html>

# Summary of Goals and Objectives

**Table 1: Summary of Goals and Initiatives for 2008-09**

Establish the Organised and Financial Crime Agency New Zealand (OFCANZ) to lead action on a whole of government approach to organised crime in New Zealand.

Strategic Goal	Objectives	Initiatives for 2008-09	Lead Agency
<b>Community</b> Building community resilience and empowerment through engagement	Build engagement between communities, general public and agencies to actively work together to reduce organised crime.	Develop a communication strategy to build awareness in communities of the current and emerging risks and trends in organised crime drawing on the annual organised crime risk assessment.	Organised and Financial Crime Agency New Zealand
	Support approaches that help at-risk groups to resist being drawn into organised crime, particularly youth, Māori and Pacific peoples.	Development and national distribution of guidelines for an interagency response to youth gangs. The response includes working closely with communities and the NGO sector.	Ministry of Social Development
	Strengthening deterrence through greater visibility of the societal damage arising from organised crime.	Community organisations and government departments to work with schools, communities, prisoners and offenders to reduce their involvement in gang activity and organised crime.	New Zealand Police
<b>Prevention</b> Strengthening collaborative approaches to prevention	Work with the private sector to prevent organised commercial crimes (for example e-crime and financial crime).	Organised and Financial Crime Agency New Zealand to work with agencies and private sector organisations to identify options for improving, rationalising or expanding relationships, particularly in relation to e-crime and financial organised criminal activities.	Organised and Financial Crime Agency New Zealand
	Maintain high ranking internationally as being a country that is perceived to be free of corruption. Preclude access by criminals to legal and material resources integral to criminal activity.	Agencies work to support the Department of Internal Affairs to develop a whole of government Identity Fraud control framework to target fraud and identity crime.	Department of Internal Affairs
	Establish effective preventive responses to particular organised crime offence patterns.	Work to continue to develop a precursor chemical control regime that will seek to reduce profits readily derived by organised criminal groups via production of methamphetamine and amphetamine type substances.	Ministry of Health
		Development of a National Anti-Corruption Strategy to maintain integrity in the fight against organised crime.	Ministry of Justice
		Creation of a multi-agency taskforce to examine organised criminal groups' use of legal instruments and structures, such as trademarks and companies, to determine to what extent response mechanisms are required.	Ministry of Justice
		The establishment of a Whole of Vehicle Marking programme to prevent and disrupt the action of professional vehicle criminals and associated organised crime and to improve the detection and prosecution of this offending.	Land Transport New Zealand
<b>Intelligence</b>	Develop protocols to gather, store, share and use	Development of a National Intelligence structure that will capture regional, national and	New Zealand Police

<p>Improving the gathering, secure sharing and effective use of information</p>	<p>inter-agency organised crime intelligence.</p> <p>Maximising our usage of current and future tools to obtain and share the best information possible.</p>	<p>international assessments and trends. It will also establish guidelines/protocols to ensure consistency in intelligence gathering, storage and dissemination.</p> <p>Establish an intelligence hub to collate, share and maximise the use of organised crime intelligence.</p>	<p>Organised and Financial Crime Agency New Zealand</p>
<p><b>Enforcement</b></p> <p>Ensuring optimal disruption, investigation and prosecution of organised criminal activity.</p>	<p>Attacking the profit motive to significantly weaken the organised crime infrastructure and reducing the financial incentives.</p> <p>Disrupting the ‘networks’ that facilitate organised criminal activity.</p> <p>Establish key priority task forces to tackle specific aspects of organised crime.</p> <p>Institution of regular and highly informed revisions of legislation governing relevant investigative and prosecutorial procedures and tools.</p>	<p>The Serious Organised Crime Agency New Zealand will provide direction and leadership for law enforcement agencies in the investigation and prosecution of organised crime.</p> <p>Development of legislation to enable enforcement agencies to disrupt organised criminal networks, enhance prosecution and confiscate profits and assets obtained from organised criminal activity.</p> <p>Passage of legislation required to enhance the efficacy of s98A of the Crimes Act 1961 and sentences for offences committed as a result of organised criminal connections.</p> <p>Review areas in which the scope of c108A of the Evidence Act 2006 (providing identity protection to undercover officers giving evidence at trial) might be expanded so as to more fully reflect the range of offences commonly committed by organised crime groups.</p> <p>Continue to run the National Cannabis Crime Operation that detects and prosecutes organised criminals involved in the commercial cultivation and distribution of cannabis plants.</p>	<p>Organised and Financial Crime Agency New Zealand</p> <p>Ministry of Justice</p> <p>Ministry of Justice</p> <p>Ministry of Justice</p> <p>New Zealand Police</p>