



Australian Government

# ORGANISED CRIME STRATEGIC FRAMEWORK



Organised criminal networks are flexible, innovative and persistent. By working together, government agencies, industry and international partners can better address this threat and reduce its impact on the Australian community.

Collaboration is at the heart of the *Organised Crime Strategic Framework*. This fact sheet outlines some of the successes that the Australian Government has achieved under the Framework.

## THE AUSTRALIAN GOVERNMENT'S APPROACH TO COMBATING ORGANISED CRIME

Organised crime is an issue of national security that causes direct and indirect harms to our economy, safety and well-being. These harms are significant, with the Australian Crime Commission conservatively estimating that organised crime costs Australia \$15 billion per year.

The impacts of organised crime can be felt throughout the Australian community. Individuals may be exposed through fraud, drug addiction and community violence. Legitimate businesses may face competition from criminal enterprises or they may be infiltrated and their legitimate activities used for criminal purposes, or they may be used by criminal groups as facilitators and professional advisors. At its most dangerous, organised crime can lead to corruption and a weakening of the law and the administration of justice.

Recognising the importance of a robust approach to organised crime, in 2009 the Australian Government launched the *Organised Crime Strategic Framework*. The Framework:

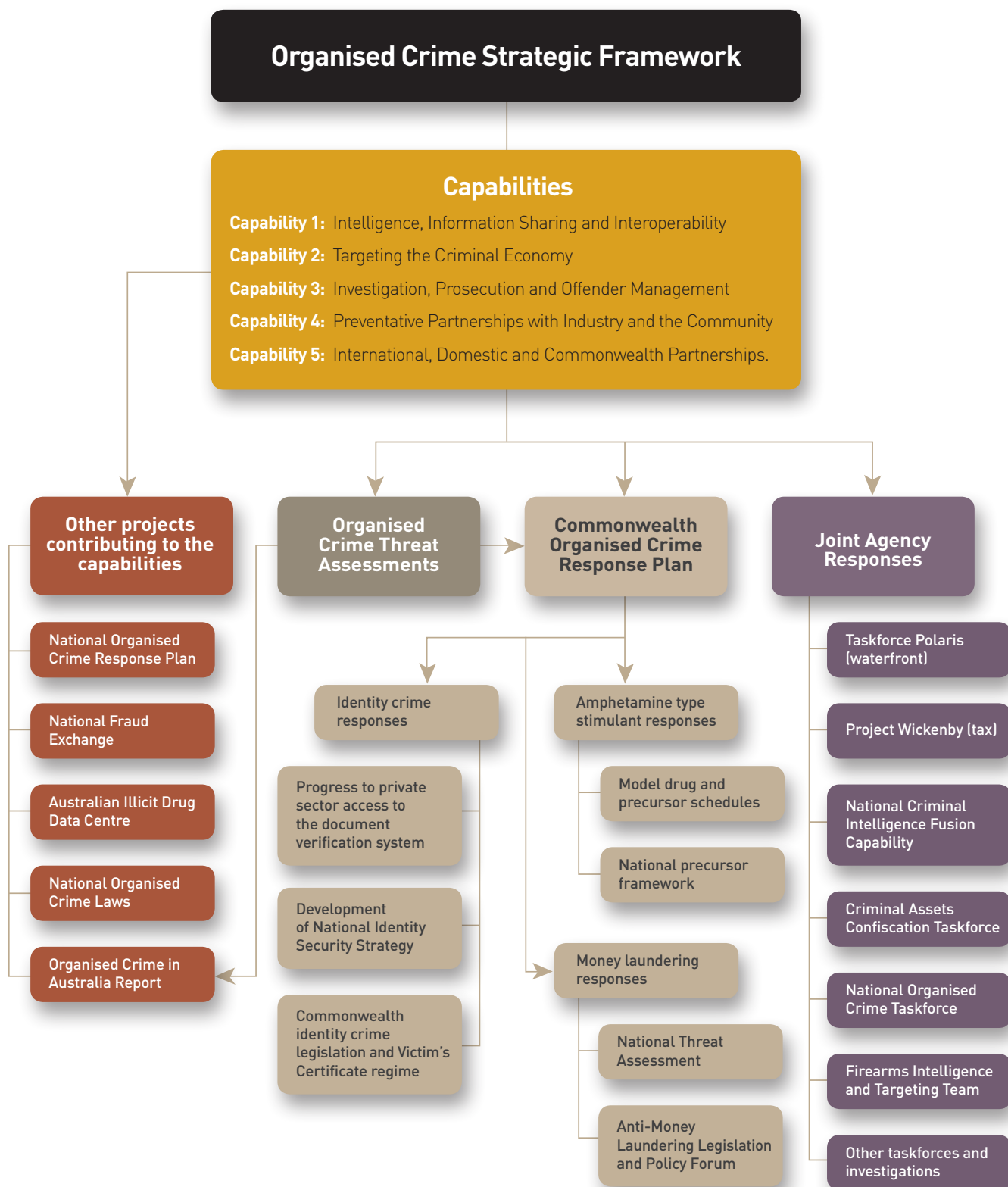
- drives an integrated and collaborative Australian Government approach to addressing organised crime, and
- sets the strategic priorities for Australian Government efforts against organised crime.

Its key components are the *Organised Crime Threat Assessment* (a detailed regular assessment to identify the most significant organised crime threats), the *Commonwealth Organised Crime Response Plan* (which identifies how Government will respond to those threats), and multi-agency responses. It also sets out five capabilities for combating organised crime.

The chart on the next page sets out the key elements of the Framework and some of the activities and achievements to date under it.



## Organised Crime Strategic Framework Structure and key activities





## A capability-led approach

The Framework identifies five capabilities required to respond to organised crime that will be developed and implemented over time: *intelligence, information sharing and interoperability; targeting the criminal economy; investigation, prosecution and offender management; preventative partnerships with industry and the community; and international, domestic and Commonwealth partnerships*. Agencies have made significant progress in each of these areas. Some of the Australian Government's achievements are detailed in the following pages.

### **CAPABILITY 1:** Intelligence, Information Sharing and Interoperability

An intelligence-led approach is fundamental to the success of the Australian Government's response to organised crime. While the Framework recognises that each agency plays a different role in the collection and analysis of intelligence, it emphasises the development of intelligence capability at a whole-of-government level, enabling each agency's intelligence and analytical skills to be more effectively deployed against organised crime.

#### **Identifying the threat – Organised Crime Threat Assessment and Organised Crime in Australia report**

Produced every two years, the Australian Crime Commission's classified Organised Crime Threat Assessment provides a comprehensive assessment of the level of risk posed by organised crime threats—categorised by activity, market and enabler. It informs decision-making by identifying where response strategies might be required and where there may be gaps in our understanding, so that Australian Government agencies can respond to priority risks. The Australian Crime Commission has produced three Organised Crime Threat Assessments, the most recent in 2012.

The publicly available *Organised Crime in Australia* report is produced every two years and is informed by the Organised Crime Threat Assessment. As a comprehensive profile of organised crime in Australia, it provides industry and the public with information to better understand and respond to current and emerging organised crime threats.

#### **Bringing together specialist skills and information – National Criminal Intelligence Fusion Capability**

Established in July 2010 under the Framework, the Australian Crime Commission-led Fusion Capability allows the government to identify patterns of crime and associated flows of money. Fusion combines investigators and analysts from 19 agencies who bring specialist skills and access to specific datasets, including private holdings. It provides a comprehensive picture of the targets, risks, threats and vulnerabilities associated with organised crime. From this information, Fusion is able to identify the individuals, groups and corporate structures involved in criminal enterprises in Australia. Fusion continues to identify new targets, generate new leads, and deliver actionable intelligence.



### **A valuable resource for agencies – Organised Crime Compendium**

The Australian Government completed the Commonwealth Organised Crime Compendium, a guide for law enforcement, regulatory and policy agencies on the best tools available to fight organised crime. The Compendium, which fulfils a 2010 election commitment, gives operational officers a range of options for combating organised crime across the areas of prevention and early detection, intelligence, investigation, prosecution, post-sentencing and proceeds of crime. Building on the collaborative approach established by the Framework, the Compendium aims to increase awareness across Australian Government agencies of the range of tools available, and to highlight opportunities for greater innovation and collaboration.

## **CAPABILITY 2: Targeting the Criminal Economy**

Organised crime is motivated by the huge profits that can be derived from illicit activity. The Australian 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. Identifying the money trail and seizing the proceeds of crime are fundamental aspects of the response to organised crime.

### **Identifying the top money laundering risks – National Threat Assessment on Money Laundering**

Organised crime relies on money laundering to 'clean' dirty assets, by making them appear to come from legitimate sources or to hide proceeds of crime. The 2010 Organised Crime Threat Assessment identified money laundering as a critical threat. A coordinated effort across government and the private sector is required to tackle this threat, which involves diverse and often cutting-edge methods. In 2011 the Australian Transaction Reports and Analysis Centre produced the first classified *National Threat Assessment* on money laundering.

The National Threat Assessment provides government agencies with a picture of the current money laundering environment in Australia and assesses vulnerabilities across a range of commonly exploited sectors and entities, enabling agencies to more effectively target their response. The Government has also released a parallel publication, *Money Laundering in Australia 2011*. This public document assists businesses and the community to keep up to date with money laundering methods and emerging threats in order to raise awareness and develop preventative strategies.

#### **Case study: Operation Beaufighther**

Operation Beaufighther was a seven month proceeds of crime investigation conducted by the Australian Federal Police and Australian Taxation Office through the Criminal Assets Confiscation Taskforce. It is the largest tax fraud investigation since Project Wickenby was launched in 2006.

As a result of the investigation, in early 2012 two people were arrested and charged for conspiring to deal in the proceeds of crime and conspiring to dishonestly cause a loss to the Australian Taxation Office. Operation Beaufighther also restrained more than \$54 million in assets including luxury cars, boats, real estate and bank accounts.



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### ***Following the money – Criminal Assets Confiscation Taskforce***

In 2011 the Criminal Assets Confiscation Taskforce was established to take the profit out of crime; by both removing the proceeds of crime and preventing its reinvestment into criminal activity. The Taskforce combines specialist knowledge and expertise from a range of agencies including the Australian Federal Police, Australian Taxation Office and Australian Crime Commission. It is already having an impact, with approximately \$41 million worth of assets restrained in the 2010-2011 financial year and \$97.4 million restrained in 2011-2012.

### **CAPABILITY 3: Investigation, Prosecution and Offender Management**

The Australian Government's investigation, prosecution and management of offenders must be designed to meet the challenges posed by flexible, dynamic, innovative and resilient criminal networks. This demands strong legislation to support the ability of law enforcement agencies to conduct effective operations targeting organised criminal groups spanning multiple jurisdictions.

### ***Strengthening our laws – Commonwealth legislation targeting organised crime activities***

Since 2009 the Australian Government has introduced a range of legislation to target the perpetrators and profits of organised crime. The reforms also provide law enforcement agencies with the tools required to combat the increasingly sophisticated methods used by organised crime syndicates.

Key legislative measures include:

- new criminal offences targeting people who support, commit crimes for, or direct the activities of, a criminal organisation
- strengthening criminal asset confiscation and anti-money laundering laws, including introducing information sharing powers, improved information gathering tools, and freezing orders to avoid the dissipation of illicit funds
- the introduction of unexplained wealth provisions to target people who profit from crime and whose wealth exceeds the value of their lawful earnings
- improving covert investigative powers, including greater access to telecommunications interception for investigation of new serious and organised crime offences, and
- enhancing search and seizure powers, including improvements to the ability of police to access electronic data.

### ***Investigating identity crimes – Identity Security Strike Teams***

Identity theft is one of the fastest growing crimes in Australia, and identity crime was named a critical threat in the 2010 Organised Crime Threat Assessment. The ability to hide true identity is critical to organised crime activities such as money laundering, fraud and cyber crime.



Created under the Framework, the Australian Federal Police-led Identity Security Strike Teams investigate identity crimes in partnership with Australian Government, State and regional law enforcement agencies. The teams target the syndicated manufacture, distribution and use of fraudulent identity documents. The teams also focus on the compromise of personal information by organised crime groups.

#### **Case study: Operation Pulse**

The multi-agency investigation Operation Pulse resulted in the seizure of 12,000 fake credit cards and manufacturing equipment - the largest single seizure of fake credit cards in Australia. It is estimated that this seizure prevented potentially \$30 million worth of fraudulent credit card transactions.

#### ***Investigative partnerships – Joint Polaris Taskforce***

In 2012 the Australian Government announced a major crackdown on organised crime at the waterfront in response to intelligence gathered by the Polaris Taskforce. The Polaris Taskforce is a joint Australian Government and New South Wales Government operation targeting criminal activity at seaports and the supply chain. It found the maritime environment is being infiltrated to carry out illegal activity, including importing illicit drugs and evading tobacco duties.

As at September 2012, investigations have resulted in 20 significant arrests and 113 charges. Over \$1 million in cash has been seized, in addition to 119 tonnes of tobacco and 92 million cigarettes, representing \$77 million in duty, and equipment that could be used in the manufacture of illicit and prohibited drugs.

#### **CAPABILITY 4: Preventative Partnerships with Industry and the Community**

Collaborative preventative partnerships between the public and private sectors underpin the overall harm reduction aim of the Framework. Public and private sector understanding of the capacity for organised crime to utilise and infiltrate the private sector or to exploit the community is essential to effectively pursuing organised crime and denying criminals opportunities to engage in illicit activity.

##### ***Partnering with the private sector – Collaboration between the government and industry***

The Australian Government and industry are working together to share information about organised crime threats and discuss how to close vulnerabilities that can be exploited by criminal groups

- The Australian Government and the banking and finance industry are working together to establish the National Fraud Exchange. While development is still in its early stages, it is expected to involve member institutions establishing coordinated systems to allow the structured exchange, collection and analysis of fraud data. Anticipated benefits include the reduction of fraud losses, the ability to address vulnerabilities, and improved productivity through the increased capacity to share data and analysis.



- Recent legislative changes now allow the Australian Crime Commission, in certain circumstances, to share information with the private sector to prevent and detect crime or to help collect information and intelligence.
- In 2012 the Australian Government convened a series of forums involving the aviation, maritime and supply chain sectors. The forums explore how government and industry can more effectively work together to combat serious and organised crime in these sectors, which are critical to our economy.

#### ***Strengthening our response to identity crime – Document Verification Service***

Common identity documents such as driver's licences and birth certificates are the building blocks of Australia's identity system. Since 2007, the Australian Government has been working with the States and Territories under the National Identity Security Strategy to strengthen Australia's identity documents.

The Document Verification Service is designed to reduce criminal misuse of false identities. It provides a secure, on-line system that can check in real time whether information in an evidence-of-identity document is accurate. Government agencies that use the Document Verification Service include registries of births, deaths and marriages, and agencies providing services and benefits like the Australian Taxation Office. The Australian Government is expanding access to the Document Verification Service to businesses with legal requirements to identify customers such as those in the financial and telecommunications sectors. Allowing those sectors access to the Document Verification Service will make it harder for criminals to use false or stolen identities to access prepaid mobile phones and banking services.

#### **CAPABILITY 5: International, Domestic and Commonwealth Partnerships**

Organised crime groups do not recognise jurisdictional borders or the division of responsibilities within government. The Framework recognises that international, domestic and Australian Government partners is vital to establishing an environment that is hostile to organised crime and reduces harm to the community.

#### ***A national issue requires a national response – National Organised Crime Response Plan***

Although the Commonwealth can make laws with respect to crime types within its constitutional power, the States and Territories have general responsibility for criminal law. Cooperation between all Australian jurisdictions is therefore essential to respond to organised crime. The Commonwealth, States and Territories have developed a *National Organised Crime Response Plan* to promote a coordinated approach at a national level. The National Organised Crime Response Plan recognises that there are areas of shared interest and significant benefits in jurisdictions working more closely. Its objectives include promoting consistency of Commonwealth, State and Territory laws in relation to organised crime, enhancing coordination across jurisdictions, and removing gaps and barriers to collaboration and information sharing.



### ***Making international linkages – Australian Federal Police International Network***

The Australian Federal Police's International Network continues to provide the foundation for strong and effective partnerships with international jurisdictions. Officers are located in 30 countries with the primary objective of leading and supporting Australian Federal Police-tasked operations and projects overseas.

The Network contributes to domestic and international efforts to disrupt and prevent transnational organised crime activities, including collecting and sharing intelligence and acting as a first point of contact for overseas law enforcement enquiries.

#### **Case study: Operation Hitch**

The AFP and the National Narcotics Control Commission (NNCC) of the People's Republic of China joined forces for the first time in Operation Hitch. The Operation resulted in the dismantling of an alleged transnational drug importation syndicate. Throughout the investigation the Australian Federal Police worked closely with the NNCC to coordinate significant resources and cooperation.

## **The Framework's Future**

The Framework has recently been evaluated. The evaluation found the Framework has assisted key agencies in strategic planning, and has enhanced cooperation and information sharing between agencies. Greater collaboration has included harnessing the skills and tools of agencies not traditionally considered law enforcement agencies, such as the Australian Taxation Office and the Australian Transaction Reports and Analysis Centre. The next steps for the Framework will include creating stronger partnerships with stakeholders beyond Australian Government agencies, including private industry.

For more information about the Framework, visit:

[www.ag.gov.au/Publications/Pages/Organisedcrime.aspx](http://www.ag.gov.au/Publications/Pages/Organisedcrime.aspx)

To discuss any of the measures or activities in this publication, contact [criminal.law@ag.gov.au](mailto:criminal.law@ag.gov.au) or (02) 6141 2800.