



AFP
AUSTRALIAN FEDERAL POLICE

ANNUAL REPORT 2017–18





AFP
AUSTRALIAN FEDERAL POLICE



ISSN 0728-4691

© Commonwealth of Australia, Australian Federal Police, 2018

Ownership of intellectual property rights in this publication

Unless otherwise noted, copyright (and other intellectual property rights, if any) in this publication is owned by the Commonwealth of Australia.

Creative Commons licence



This publication is licensed under a Creative Commons Attribution 3.0 Australia Licence, which allows you to copy, distribute, transmit and adapt this publication provided that you attribute the work. A summary of the licence terms is available from:

<http://creativecommons.org/licenses/by/3.0/au/>

The full licence terms are available from:

<http://creativecommons.org/licenses/by/3.0/au/legalcode>.

The Commonwealth of Australia's preference is that you attribute this publication (and any material sourced from it) using the following wording:

Source: Licensed from the Commonwealth of Australia under a Creative Commons Attribution 3.0 Australia Licence.

Contact officer

Inquiries about this document should be directed to:

Manager Strategic Policy and Performance
Australian Federal Police
GPO Box 401
Canberra ACT 2601
Email: strategicpolicy@afp.gov.au
Phone: (02) 6131 3000

General inquiries

Post: Written requests for general information can be sent to:

Australian Federal Police
GPO Box 401
Canberra ACT 2601

Telephone: General inquiries can be made by phoning the AFP's national switchboard on (02) 6131 3000. For freedom of information requests phone the AFP on (02) 6131 6131 or send an email to foi@afp.gov.au.

Internet: For general information go to the AFP website: <https://www.afp.gov.au>.

For an electronic version of this and previous annual reports go to:
<https://www.afp.gov.au/about-us/publications-and-reports/annual-reports>.



AFP
AUSTRALIAN FEDERAL POLICE

5th October 2018

The Hon Peter Dutton MP
Minister for Home Affairs
House of Representatives
Parliament House
Canberra ACT 2600

Dear Minister

I am pleased to submit the Australian Federal Police annual report for the period 1 July 2017 to 30 June 2018. This report includes:

- ▶ the annual report of the Australian Federal Police prepared in accordance with section 67 of the *Australian Federal Police Act 1979* (Cth) and section 46 of the *Public Governance, Performance and Accountability Act 2013* (Cth)
- ▶ the annual report on the National Witness Protection Program pursuant to section 30(2) of the *Witness Protection Act 1994* (Cth)
- ▶ the annual report on unexplained wealth investigations and proceedings pursuant to section 179U(3) of the *Proceeds of Crime Act 2002* (Cth)
- ▶ the annual report on delayed notification search warrants pursuant to Part IAAA Division 6 section 3ZZFB of the *Crimes Act 1914* (Cth).

This report has been prepared in accordance with the relevant acts and the Public Governance, Performance and Accountability Rule 2014. A copy of this report is to be presented to each House of Parliament on or before 31 October 2018.

In accordance with section 10 of the Public Governance, Performance and Accountability Rule 2014, I hereby certify that the Australian Federal Police has prepared fraud risk assessments and fraud control plans and has in place appropriate fraud prevention, detection, investigation and reporting mechanisms. The Australian Federal Police is also taking all reasonable measures to minimise the incidence of fraud in the agency and to investigate and recover the proceeds of fraud against the agency.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Colvin', with a small flourish at the end.

Andrew Colvin APM OAM
Commissioner

AFP principal locations

National Headquarters

Headquarters
Edmund Barton Building
47 Kings Avenue, Barton ACT 2600
(02) 6131 3000
Media inquiries: (02) 6131 6333

ACT Policing

Winchester Police Centre
Cnr Benjamin Way and College Street
Belconnen ACT 2617
(02) 6256 7777
Media inquiries: (02) 6264 9460

Adelaide Office

Level 8, 55 Currie Street
Adelaide SA 5000
(08) 8416 285746

Brisbane Office

45 Commercial Road
Newstead Qld 4006
(07) 3222 1222

Darwin Office

4 Pedersen Road
Marrara NT 0812
(08) 8980 1300

Hobart Office

Level 7, 47 Liverpool Street
Hobart Tas. 7000
(03) 6230 1510

Melbourne Office

383 La Trobe Street
Melbourne Vic. 3000
(03) 9607 7777

Perth Office

619 Murray Street
West Perth WA 6005
(08) 9320 3444

Sydney Office

110 Goulburn Street
Sydney NSW 2000
(02) 9286 4000

CONTENTS

CHAPTERS

Letter of transmittal	iii
AFP principal locations	iv
1	
Commissioner's review	1
Commissioner's review	2
Significant achievements	6
2	
Overview of the AFP	9
The AFP's role and purpose	10
Organisational structure	12
Strategic initiatives	14
3	
Performance overview	23
Annual performance statements	24
Financial performance	63
4	
Performance details	65
Overview	66
Reform, Culture and Standards	68
Counter Terrorism	72
Protection Operations	76
Organised Crime	80
Crime Operations	86
International Operations	90
Technology and Innovation	94
Specialist Operations	100
Support Capability	106
Workforce and Development	108
People, Safety and Security	114
Chief Financial Officer	117
5	
Management and accountability	119
Corporate governance	120
External scrutiny	128
Our people	134
Financial management	143

6	
Financial statements	147
Appendixes	179
Appendix A:	
Corporate integrity	180
Appendix B:	
Advertising and market research	184
Appendix C:	
Staffing statistics	185
Appendix D:	
Agency resource statement and resources for outcomes	195
Appendix E:	
Non-financial performance	198
Appendix F:	
List of annual report requirements	200
Annex A: National Witness Protection Program annual report 2017–18	205
Annex B: Unexplained wealth investigations and proceedings, 2017–18	213
Annex C: Delayed notification search warrants annual report 2017–18	217
Shortened forms	222
Glossary	224
Index	226

Commissioner's review	1
Overview of the AFP	2
Performance overview	3
Performance details	4
Management and accountability	5
Financial statements	6
Appendixes	
Annexes	
Shortened forms	
Glossary	
Index	

Tables

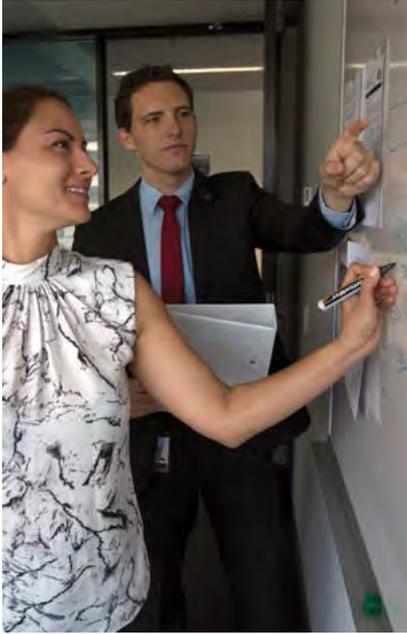
Table 3.1:	Summary results against AFP 2017–18 performance criteria	27
Table 3.2:	Overall performance by criteria for each AFP mission	52
Table 5.1:	Committee details	121
Table 5.2:	Contracts without Auditor-General access, 2017–18	144
Table 5.3:	Expenditure on consultants, 2015–16 to 2017–18	144
Table A1:	Alleged conduct breaches recorded by category 2014–15 to 2017–18	180
Table A2:	Alleged conduct breaches recorded by source, 2017–18	181
Table A3:	Finalised conduct breaches by category, 2017–18	181
Table A4:	Established conduct breaches by type, 2017–18	182
Table A5:	Prohibited drug tests conducted, 2016–17 and 2017–18	183
Table A6:	Age of complaints being carried forward to 2017–18 (ongoing as at 30 June 2018)	183
Table A7:	Run time for resolution of complaints finalised	183
Table A8:	Total harmful workplace behaviour referrals to Safe Place, the Confidant Network and Professional Standards (PRS), 1 July 2017 – 30 June 2018	184
Table B1:	Media costs during 2017–2018	184
Table C1:	Ongoing, non-ongoing and casual AFP staff, 30 June 2017 and 30 June 2018	185
Table C2:	Length of service of AFP staff, 30 June 2018 (headcount)	186
Table C3:	AFP workforce composition, 30 June 2018 (headcount)	187
Table C4:	AFP staff, by location and gender, 30 June 2018	188
Table C5:	AFP staff, by gender and sworn status, 30 June 2017 and 30 June 2018 (headcount)	189
Table C6:	AFP staff identifying as Aboriginal and/or Torres Strait Islander Australians, by sworn status and employment group, 30 June 2017 and 30 June 2018 (headcount)	190
Table C7:	AFP staff identifying as Aboriginal and/or Torres Strait Islander Australians, by location and gender, 30 June 2018 (headcount)	191
Table C8:	AFP staff identifying as culturally and linguistically diverse (CALD), by sworn status and employment group, 30 June 2018 (headcount)	192
Table C9:	AFP senior executives (substantive staff), 30 June 2018 (headcount)	193
Table C10:	AFP staff outposted to other agencies/police services, secondments, territories police and peacekeeping, 30 June 2018 (headcount)	194
Table D1:	Agency resource statement, 2017–18	195
Table D2:	Expenses for Outcome 1	196
Table D3:	Expenses for Outcome 2	197
Table E1:	Trend of non-financial performance criteria	198
Table E2:	AFP drug seizures 2016–17 and 2017–18	199
Table F1:	List of annual report requirements	200
Table AA1:	National Witness Protection Program expenditure, 2017–18	211
Table AA2:	Total expenditure (before costs were recovered) in previous years	211

Figures

Figure 2.1:	Links between the AFP's purpose, outcomes and programs	10
Figure 2.2:	AFP organisational structure as at 30 June 2018	13
Figure 3.1:	Relationship between AFP PBS outcomes and programs and the Corporate Plan	26
Figure 3.2:	Confidence in AFP contribution to law enforcement and national security	28
Figure 3.3:	Proportion of attendees with greater cyber safety awareness after ThinkUKnow presentation	30
Figure 3.4:	Proportion of stakeholders satisfied with AFP national policing activities	31
Figure 3.5:	Conviction rate and number of National Policing cases reaching court and finalised between 2013–14 and 2017–18	32
Figure 3.6:	Return on investment for transnational crime trend - total benefits and return on investment ratio	41
Figure 3.7:	Proportion of stakeholders satisfied with AFP international policing activities	43
Figure 3.8:	Location and size of international drug seizures involving the AFP	48
Figure 3.9:	Proportion of aviation incidents responded to on time between 2012–2013 and 2017–18	59
Figure 3.10:	Proportion of stakeholders satisfied with AFP protection activities	60
Figure 5.1:	Key committee framework	120
Figure 5.2:	Trend in the number of complaints and alleged breaches, 2012–13 to 2017–18	133



1 Commissioner's review



1 Commissioner's review

AFP Commissioner
Andrew Colvin



On 29 November 2017, we reached the centenary of federal policing. I was privileged to mark this occasion by travelling to Warwick in Queensland. It was here that, in 1917, Prime Minister Billy Hughes had an egg thrown at him and the local police, defying the Prime Minister's direction, refused to deal with the offender and make an arrest under Commonwealth law.

Reflecting on these origins, we can appreciate the unique evolution of the Australian Federal Police (AFP); the breadth, depth and professionalism of today's AFP; and the need for it to continue to adapt to meet the future environment.

The AFP's operating environment has also continued to evolve. The pace of change is significant. This is underscored by increased uncertainty and global instability. Our complex operating environment is made more challenging by criminals who continue to exploit emerging technologies and geopolitical and global security pressures. Advanced technology challenges traditional policing methods: criminals have more reach, more potential victims and more anonymity and geographic protections than ever before.

We always strive to meet these challenges, and we will continue to do so.

In 2017–18, my areas of focus have been building capability to align with the future policing environment; achieving operational results to prevent, disrupt, detect and prosecute serious, organised criminality; and leveraging strong partnerships.

The AFP is focused on aligning capacity and capability to ensure successful operational outcomes. We are defining and developing an AFP ready to meet future challenges, with an emphasis on capability development, workforce planning, diversity, safety and security, partnerships and collaboration.

During the past year, the AFP has taken huge steps towards meeting these goals. We have achieved significant operational success, but we always aim to improve. AFP employees are working domestically and overseas to maximise our impact and create a safer Australia.

Working with our partners over the past year, we have:

- ▶ deterred and disrupted the threat of terrorism and violent extremism both inside and outside Australia
- ▶ led the Commonwealth's efforts to disrupt serious and organised criminal groups by restraining and seizing their assets and unexplained wealth
- ▶ prevented significant community harm through substantial drug seizures, saving children from harm and reducing the proliferation of child exploitation material
- ▶ disrupted crime offshore and supported regional security as Australia's principal international policing representative
- ▶ provided aviation policing and counter-terrorism first response at nine major Australian airports
- ▶ contributed to the safety and security of our people and the community by hardening key infrastructure and by protecting key locations such as Parliament House
- ▶ continued to develop a diverse and inclusive workforce that demonstrates ethical behaviour
- ▶ provided policing services within the Australian Capital Territory, Jervis Bay and Australia's external territories.

The AFP is also committed to improving the way we measure the breadth of our business and its impact on the community. In 2017–18 we did this by reframing our performance measures to focus on our prevention and disruption work, understanding the community's satisfaction with our services, and measuring the return on investment delivered to the Australian community through our operations.

The establishment of the Home Affairs portfolio in the past year offers us new opportunities to combat global networks of crime. The new portfolio has enabled us to strengthen collaboration with our partners and other law enforcement agencies to keep Australians and Australian interests safe. The AFP has preserved its traditional strengths while capitalising on the skills and expertise of our people and the new portfolio.

The new portfolio allows us to leverage off existing capabilities as well as those being developed. Early initiatives of the Home Affairs portfolio implemented in 2017–18 include:

- ▶ appointment of the Commonwealth Transnational Serious and Organised Crime (TSOC) Coordinator. The inaugural coordinator is AFP Deputy Commissioner Karl Kent
- ▶ rolling deep dives into operational and strategic priorities across the portfolio to improve understanding of capability across all agencies and identify gaps and opportunities.

A key element of the AFP's approach in 2017–18 is our enhanced coordination and collaboration with partners in capability development and delivery. The AFP operates across international, state and government borders, meaning we are well positioned to provide advice and services to a wide range of partners. The AFP is positioned within the Home Affairs portfolio to provide a policing voice at the Commonwealth level that is informed by our state and territory partners. We have already seen this in the development of national guidelines on police command and control and training with our counter-terrorism and organised crime operational partner agencies.

But we do not just do this domestically. The AFP is renowned as a policing partner of choice within our region and across the globe. International engagement permeates all aspects of AFP operations. The purpose of our international engagement is to take the fight against crime offshore. We aim to protect Australians and Australia's national interests by working in partnership with state, territory and foreign law enforcement agencies to detect, deter, prevent and disrupt crime at its point of origin or transit. This includes working with our bilateral law enforcement and policing partners as well as our INTERPOL and Five Eyes (United Kingdom, United States, Canada and New Zealand) partners. Leveraging international forums such as the Five Eyes Law Enforcement Group, Europol and ASEANAPOL is another way we have maintained strong partnerships in our region and the world.

As I pause to reflect on the highlights and successes of the past year, I am also conscious that there is more work to do. An important step in our journey forward was the release of the *Cultural change: Gender diversity and inclusion in the Australian Federal Police* report by Elizabeth Broderick two years ago. The AFP remains committed to providing a workplace that meets the expectations of those we serve and those who serve.

Our Cultural Reform Board continues to focus on this key organisational priority, progressing initiatives and strategies to support our ethical and values-driven culture that embraces diversity, inclusion and respect.

We have worked with Phoenix Australia to review our approach to mental health services and systems. In February 2018, the outcomes of this review were released and there were some important findings that provide valuable guidance to improve our strategy for mental health and wellbeing into the future.

We have worked hard to ensure the AFP has a sustainable operating model that prioritises resources to respond to the greatest threats. We must be able to address new priorities and plan for the future with confidence. We must have the right tools and technologies and constantly evolve the way we do things to ensure we can respond quickly to the changing environment and maintain focus on areas that have the greatest impact.

As well as marking the centenary of federal policing, this year also marks my fourth year as Commissioner of the AFP. More than ever, I know that the heart of the AFP is its people and their shared commitment to make a difference in our community. I applaud the hard work and perseverance of the AFP's employees in every part of our business, including investigations, operations, protection, capability, administration, and our contracted and consultant partners. I continue to be inspired and motivated by the individual stories and experiences I hear and see across this organisation as we work to make Australia a safer place to live.

This annual report attests to the AFP's significant successes in 2017–18. As we transition into a new era of policing, I am committed to investing in the AFP's future through developing a flexible, collaborative and multi-skilled workforce with modern capabilities. We aspire to be a high-performing organisation where our people can achieve their potential and deliver operational impact like never before.



Andrew Colvin APM OAM
AFP Commissioner

Significant achievements



DISRUPTION AND INVESTIGATION

Confiscated
\$78.5 million
in criminal assets

58
people charged
as a result of child
protection investigations

Over
\$5.7 billion
reduced harm to
Australians from successful
transnational crime
investigations

Seized over
17 tonnes
of illicit drugs and
precursors
98%
court conviction rate

206
disruptions across
all crime types in 2017-18

547
people arrested for
Commonwealth crimes

GOVERNANCE AND ACCOUNTABILITY

90%
of stakeholders were
satisfied, or very satisfied
with the AFP

62%
of the community had
high confidence in the
AFP's contribution to
national security and law
enforcement

AFP officers responded promptly and were very professional. AFP officers were also cooperative and constructive in resolving complex or long-running matters, and focused on achieving a positive outcome
– 2017 Business Satisfaction Survey

2017–18



COMMUNITY ENGAGEMENT

Delivered the ThinkUKnow cyber safety program to over

210,000

participants with the support of partners

20,000

Twitter followers

More than **385,000**

Facebook likes

NATIONAL COLLABORATION

Worked with over

400

separate organisations

Conducted over

2000

cybercrime assessments with the Australian Cyber Security Centre

INTERNATIONAL COLLABORATION

A network of liaison posts in

33
countries

Worked with organisations in

66 countries

AFP worked with international partners to prevent

28 tonnes

of illicit drugs from reaching Australia.



2 Overview of the AFP



Overview of the AFP

2

The AFP's role and purpose	10
Organisational structure	12
Strategic initiatives	14

The AFP's role and purpose

The AFP is Australia's national policing agency. We are a key member of the Australian law enforcement and national security community, leading efforts to keep Australians and Australian interests safe both at home and overseas.

The AFP's vision – *Policing for a safer Australia* – reflects this unique statutory role, as detailed in the section 8 of the *Australian Federal Police Act 1979* (Cth) (AFP Act), the Ministerial Direction issued under section 37(2) of the AFP Act, the *Witness Protection Act 1994* (Cth) and the *Proceeds of Crime Act 2002* (Cth).

The AFP provides policing services to support the Commonwealth's laws, property and other interests. The AFP:

- ▶ investigates complex, transnational, serious and organised crime
- ▶ counters fraud and corruption
- ▶ disrupts money-laundering and recovers proceeds of crime
- ▶ protects Australians and Australian interests from terrorism and violent extremism
- ▶ delivers a national counter-terrorism first response capability focused on aviation security and critical infrastructure
- ▶ provides community policing services in the Australian Capital Territory and the territories of Christmas Island, Cocos (Keeling) Islands, Norfolk Island and Jervis Bay
- ▶ contributes to Australian international law enforcement interests through cooperation with key international partners and responds to emergencies, law and order capacity-building missions and internationally mandated peace operations
- ▶ develops unique capabilities and exploits advanced technology to provide utmost value to Australia's national interest
- ▶ provides a national protection capability for specific individuals, establishments and events identified by the Australian Government as being at risk.

Figure 2.1 Links between the AFP's purpose, outcomes and programs



Outcome 1

Outcome 1 principally captures the AFP's national and international policing activity. This activity draws on a wide range of services, including those involved directly in operations; those providing direct technical and scientific support; and those delivering strategic direction, resourcing and professionalisation.

These services address threats that originate domestically or internationally. These threats can emerge quickly in response to developments in areas such as technology.

Operational activity under Outcome 1 involves:

- ▶ a local, national and international presence
- ▶ close and effective engagement with our partners, with the AFP being Australia's lead agency for international law enforcement collaboration
- ▶ a range of both proactive and reactive approaches, including deterrence, prevention, disruption, investigation and intelligence
- ▶ a flexible capability base that can support a broad menu of work and is responsive to routine business, critical incidents and new crime types.

This Outcome involves two programs:

Program 1.1: Federal Policing and National Security

Program 1.1 addresses criminal and security threats through a range of activities, including national and transnational investigations, counter-terrorism, aviation operations, protective services and joint task forces with international, Commonwealth, state, territory and private sector partners.

Program 1.2: International Police Assistance

Program 1.2 contributes to national security by providing policing support for enhanced rule of law internationally. This is facilitated through the AFP's official development assistance in the Indo-Pacific region and the AFP's contribution to United Nations missions.

Outcome 2

Outcome 2 reflects the AFP's community policing capability delivered to the Australian Capital Territory through ACT Policing. ACT Policing delivers a policing service in accordance with the Policing Arrangement between the Commonwealth and ACT governments.

ACT Policing publishes its results in a separate annual report.

Organisational structure

The AFP's organisational structure is broadly categorised into the areas of Operations, Capability and Capacity. These three areas drive strategic initiatives and activities as described in the AFP Corporate Plan 2017–18. The organisational structure has been developed with a focus on aligning capacity and capability to best support and sustain operational outcomes.

In May 2018, the Minister for Home Affairs announced the appointment of a new Deputy Commissioner to the AFP. The new Deputy Commissioner position was established as the inaugural Commonwealth Transnational Serious and Organised Crime (TSOC) Coordinator. Within the Department of Home Affairs, the Deputy Commissioner will lead the national effort to combat the serious and rapidly evolving threat posed by TSOC.

The AFP's crime program, involving the Organised Crime and Crime Operations portfolios, underwent a restructure in March 2018. Under the new structure, the responsibilities of the National Manager Crime Operations were expanded to include Cybercrime Operations, which was previously within the National Manager Organised Crime portfolio. This change will more effectively align the crime types, ensure that resources are deployed in a coherent and consistent manner, and deliver maximum operational impact.

Further information on the performance of most national managers' portfolios during 2017–18 can be found in chapter 4, 'Performance details'.



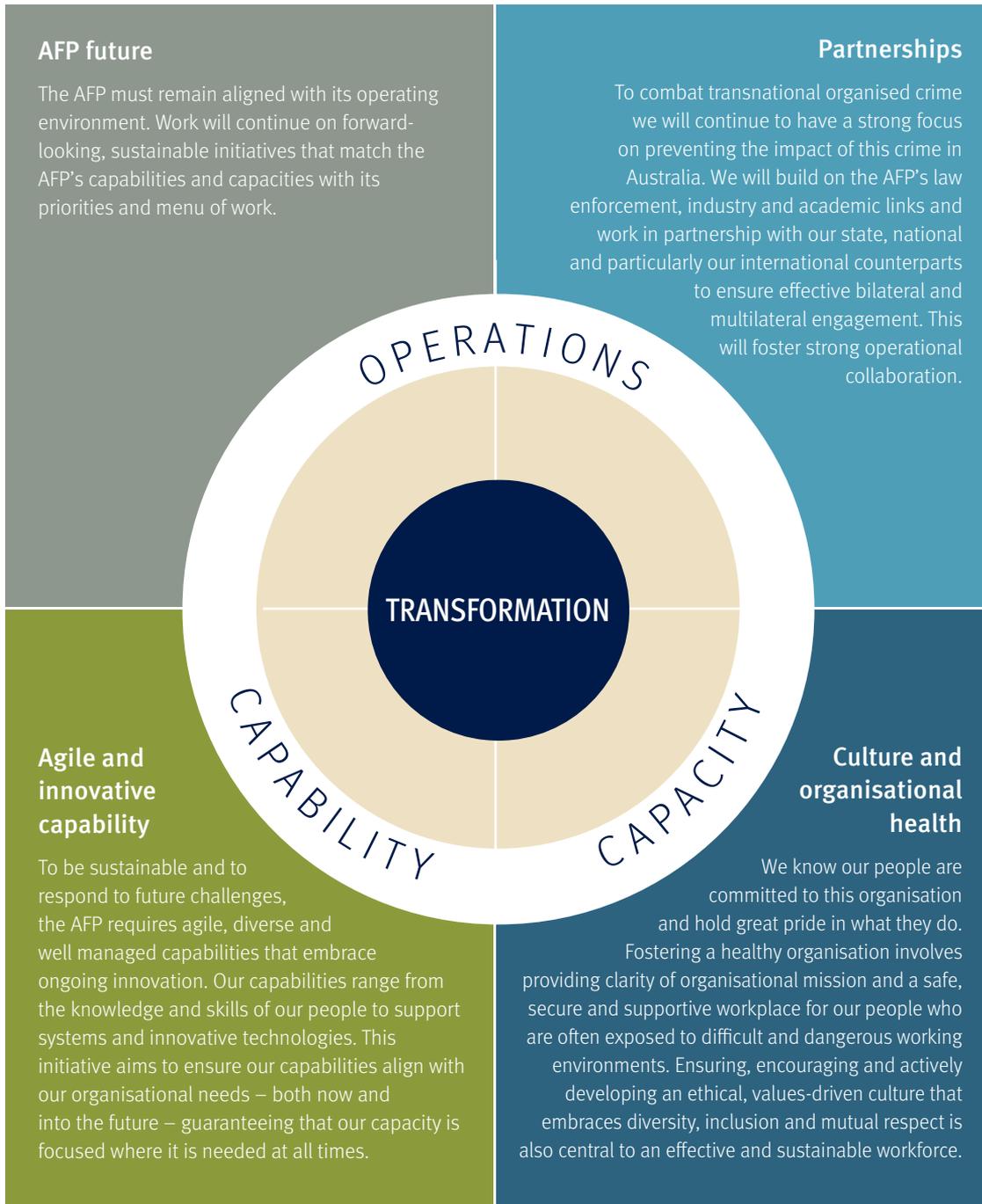
Deputy Commissioner Neil Gaughan and Deputy Commissioner Karl Kent are officially sworn into their new roles.

Figure 2.2 Organisational structure, 30 June 2018



Strategic initiatives

In 2017–18, the AFP continued to progress the enterprise-wide strategic initiatives established in 2016–17. The diagram below illustrates these activities, which are consistent with the AFP Corporate Plan 2017–18. Chapters 4 and 5 provide further details of the complementary activities of the AFP's Operations, Capability and Capacity groups.



Major activities 2017–18

AFP future

- Implement the AFP futures work in capability development**
- ▶ External launch of *Policing for a safer Australia – our strategy for future capability* in December 2017
 - ▶ Defined the AFP Capability Set and established baseline maturity and desired future states to guide strategic investment and change
 - ▶ Developed a digitised platform highlighting global and policy drivers to inform AFP future capabilities
 - ▶ Engaged with academia, global futurists and industry partners to understand impacts from future law reform, ethics and privacy, partnerships (hybrid policing) and information sharing on the AFP

- Respond to the Functional and Efficiency Review recommendations**
- ▶ Developed a comprehensive response to the Functional and Efficiency Review and included it in the AFP transformation blueprint and Future Ready Plan

- Develop a sustainable and flexible resourcing model**
- ▶ Undertook a program of work designed to communicate and influence understanding of the AFP's long-term resourcing needs against the emerging criminal threat environment

Partnerships

- Further develop industry partnerships**
- ▶ Led planning of a joint learning and training college and associated facilities, the Commonwealth Law Enforcement College (CLEC)
 - ▶ Continued to seek opportunities to leverage off industry and academic partnerships
 - ▶ Maintain and enhance industry partnerships and law enforcement partnerships through ANZPAA

- Strengthen international partnerships**
- ▶ Provided input into the first *Australian Government Foreign Policy White Paper 2017*
 - ▶ Engaged with partners to develop a strategy to combat methamphetamine (ice)

Culture and organisational health

Develop a comprehensive mental health strategy	<ul style="list-style-type: none"> ▶ Internal launch of the <i>AFP Health and Wellbeing Strategy 2018–2023</i> in May 2018
Implement the <i>Diversity and Inclusion Strategy 2016–2026</i>	<p>A large range of activities were completed this year. Highlights include:</p> <ul style="list-style-type: none"> ▶ Conducting a supplementary recruitment round to attract more female applicants ▶ Creating a staff network of culturally and linguistically diverse members ▶ launching the <i>Innovate Reconciliation Action Plan (RAP) 2018–2020</i> ▶ Holding an event for International Day against Homophobia, Transphobia and Biphobia
Undertake an all-staff survey in 2017	<ul style="list-style-type: none"> ▶ Over 60 per cent of staff responded to the staff survey held in May 2018
Implement the recommendations of the Cultural Change report	<ul style="list-style-type: none"> ▶ 11 of the 24 recommendations made in the Cultural Change report have been completed, including the establishment of a leadership centre. The remainder of the recommendations are in progress

Agile and innovative capability

Implement the Strategic Workforce Plan	<ul style="list-style-type: none"> ▶ Prepared the <i>2018–2022 AFP Strategic Workforce Plan</i> in May 2018, listing key workforce risks and control actions
Invest in technology	<ul style="list-style-type: none"> ▶ Installed ‘innovate@afp’ as a central platform to raise ideas for change and to crowdsource advice ▶ Improved agile delivery methods to speed up technology updates

Activities to enhance strategic capabilities

In 2017–18, the AFP pursued a number of activities to enhance our capability framework and strategic capabilities. The diagram below illustrates the key focus areas and related activities which were progressed to optimise the AFP’s ability to address known challenges and threats, as well as those not yet realised. These areas and activities are consistent with the AFP Corporate Plan 2017–18.

Capability Initiative	2017–2018 activity	2017–2018 progress
Intelligence-informed targeting	Share intelligence with national and international partners to prevent, disrupt and investigate crime and to inform triage processes to ensure finite resources are assigned to greatest effect	<ul style="list-style-type: none"> ▶ Increased contributions to joint agency intelligence and targeting triage processes to ensure finite resources are assigned to greatest effect ▶ Reduced legislative barriers to appropriate sharing of intelligence ▶ Published the Criminal Intelligence Doctrine jointly with the Australian Criminal Intelligence Commission in March 2018 ▶ See further details at chapter 3 and 4
Transnational serious and organised crime	Work with national and international partners to ensure preparedness for, prevention of, responses to and recovery from terrorism incidents	<ul style="list-style-type: none"> ▶ Improved governance, training and capability such as co-location of Joint Counter Terrorism Teams (JCTT) ▶ Contributed to independent reviews of Commonwealth counter-terrorism laws, including control orders and emergency police powers
	In collaboration with national and international partners, investigate complex, organised criminal activity such as cybercrime, corruption, drug trafficking, foreign bribery, fraud, money laundering, child exploitation, human trafficking, missing persons, people smuggling and Australians harmed or killed offshore	<ul style="list-style-type: none"> ▶ With partners, prevented a terrorist attack against the aviation sector in July 2017 (see Operation Silves case study, page 74) ▶ Successfully investigated organised crime syndicates operating within Australia and overseas and against crime enablers such as encrypted communications, money laundering and global supply chains (see chapters 3 and 4)
	Confiscate criminal assets and recover the proceeds of crime	<ul style="list-style-type: none"> ▶ Increased engagement and the use of criminal asset confiscation as a proactive frontline strategy against high-level international organised crime, fraud and corruption (see chapter 3)

Capability Initiative	2017–2018 activity	2017–2018 progress
National and international leadership and coordination	Coordinate multi-jurisdictional operational activity through the AFP's national and international network	<ul style="list-style-type: none"> ▶ Coordinated multi-jurisdictional operational activity through the AFP's national and international network, with successful outcomes, particularly Taskforces Blaze and Storm (see chapter 4, page 92) ▶ Closer collaboration and information sharing with regional international law enforcement partners resulting in 56 international disruptions of child sex offences ▶ Conducted actions under new legislation that contributed to a reduction in travelling sex offenders and a high turnaround rate of registered sex offenders attempting to enter the South-East Asia region
International engagement	Work with international partners to combat crime at its source and disrupt criminal networks	<ul style="list-style-type: none"> ▶ Continued a range of key international task force arrangements that resulted in large offshore illicit drug seizures ▶ Continued involvement in working groups on money laundering that contributed to multi-jurisdictional investigations
	Lead and conduct international operations on behalf of all policing and law enforcement agencies and provide partners with a critical capacity to extend investigations offshore	<ul style="list-style-type: none"> ▶ 248 AFP personnel in 33 countries worked in partnership with other Australian and foreign law enforcement agencies to detect, deter, prevent and disrupt crime at its point of origin or transit (see information on our international operations in chapters 3 and 4)
	Develop law enforcement capacity and capability in the Indo-Pacific region	Completed a large range of activities during the year. Highlights include: <ul style="list-style-type: none"> ▶ Increasing the skills of Pacific Island police officers on risks and opportunities of technology use ▶ Delivering mentoring and training initiatives under the Asia-Pacific Economic Cooperation (APEC) aide memoire in Papua New Guinea ▶ 94 officers from 24 countries participating in Asia Regional Law Enforcement Management Programs

Capability Initiative	2017–2018 activity	2017–2018 progress
Technical and niche proficiencies	Develop and maintain technical and specialist capabilities at a pace consistent with that of the security threat and criminal environment	Completed a large range of activities during the year. Highlights include: <ul style="list-style-type: none"> ▶ Developing a modernised Forensic Doctrine ▶ New procedures for managing and safely handling large illicit drug seizures to improve capacity and ensure the safety of officers ▶ Increasing our soil sampling capabilities ▶ New hazardous material laboratory for national security operations ▶ Expanding an international biometrics exchange ▶ Increasing our digital forensic capabilities
	Share technical and specialist capabilities with state, territory and Commonwealth partners	<ul style="list-style-type: none"> ▶ Increased frequency and depth of sharing technical and specialist capabilities with state, territory and Commonwealth partners through embedding staff providing specific technical assistance
	Engage specialists to define and help resolve problems	<ul style="list-style-type: none"> ▶ Strong relationships with industry enhanced AFP technical capabilities in areas such as networks and operational communications ▶ 11 community of practice groups were created to foster collaboration and problem solving
AFP as knowledge leader	Work with the Attorney-General's Department to identify ways in which emerging technology and changing criminal behaviour challenge the existing legislation	<ul style="list-style-type: none"> ▶ Supported legislative efforts on the Encryption Bill, <i>Telecommunications (Interception and Access) Act 1979</i> (Cth) and cross-border data access initiatives ▶ Refer to chapter 5, page 130, for further information on AFP contributions to legislative review
	Pursue a greater leadership role in the delivery of investigative standards and training curricula for national and international partners	<ul style="list-style-type: none"> ▶ Shared investigative practice standards with Australian partners (e.g. the Australian Border Force and the Department of Human Services) and international partners via forums such as the Jakarta Centre for Law Enforcement Cooperation (JCLEC)

Capability Initiative	2017–2018 activity	2017–2018 progress
Future workforce	Continue to build an ethical, values-driven culture that embraces diversity, inclusion and mutual respect with a view to attracting and retaining a gender-inclusive, culturally and ethnically diverse workforce reflective of Australian society	<ul style="list-style-type: none"> ▶ Capabilities provided by the Workforce Engagement Team, AFP Safe Place, Professional Standards and Diversity Networks are integral to ensuring an ethical work culture ▶ Nearly 3,000 staff members participated in face-to-face discussions on behavioural expectations ▶ More than 1,500 staff members attended – ‘Identify, Involve, Improve’ information sessions on respectful workplace
	Increase technical and specialist skills through various models of engagement/partnerships	<ul style="list-style-type: none"> ▶ Developed a new future workforce model to support more active workforce placements ▶ Undertook significant recruitment in Forensics, Intelligence, Specialist Response Group and Surveillance under the capability budget measure ▶ Continued to engage external specialist providers to deliver training ▶ Used electronic learning systems to increase skills across the AFP
	Engage leaders who are highly adaptive, value the views and expertise of others, communicate effectively and embrace ethical conduct and the values of the society they serve	<ul style="list-style-type: none"> ▶ Executive Level (EL) and Senior Executive Service (SES) recruitment processes now emphasise leadership capabilities ▶ Terms of employment now include three-year contracts for specialists, allowing for succession and flexibility in workforce planning ▶ Revised charter of performance for EL and SES employees focuses on ethical conduct and values
Measuring success	Measure success not only quantitatively but also qualitatively to show the extent of the AFP’s deterrence and disruption of crime	<ul style="list-style-type: none"> ▶ Introduced two qualitative performance criteria: prevention and disruption (for results, see the Annual Performance Statement, chapter 3)

This page is intentionally left blank



3 Performance overview



Performance overview

Annual performance statements	24
Financial performance	63

Annual performance statements

Statement of preparation

I, as the accountable authority of the Australian Federal Police (AFP), present the 2017–18 annual performance statements of the AFP as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act). In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the AFP's performance in 2017–18 and comply with subsection 39(2) of the PGPA Act.



Andrew Colvin APM OAM
Commissioner

12 September 2018

Purpose of the AFP

The AFP introduced the following new purpose¹ in the 2017–18 Corporate Plan¹:

As Australia's national policing agency, we protect Australians and Australia's interests.

In 2017–18, the AFP pursued this purpose through four activities:

1. **National Policing** focused on Commonwealth offences including combating complex transnational, organised crime and terrorism.
2. **International Operations** focused on disrupting crime offshore and supporting global security and regional stability.
3. **Protection** of Australian high office holders, foreign dignitaries, Australian Government infrastructure and designated international airports.
4. **Community Policing** services to the Australian Capital Territory (ACT), Jervis Bay and Australia's external territories.

¹ Source: AFP Corporate Plan 2017–18 (page 5). This new purpose is more concise than, but contains the same ideals as, the purpose statement reported in the 2017–18 AFP Portfolio Budget Statement – “To enforce Commonwealth criminal law, contribute to combating complex transnational, serious and organised crime impact Australia's national security and protect Commonwealth interests for criminal activity in Australia and overseas” (page 99).

Introduction

The AFP continues to adapt and improve performance criteria to stay up to date with changes in our operating environment. In 2017–18, our Outcome 1 performance framework has 19 individual performance measures across four activities—National Policing, International Operations, Protection, and Community Policing. The AFP also provides community policing for the Australian Capital Territory. The performance criteria for this activity are listed in the ACT Policing Purchase Agreement² and results can be found in the ACT Policing Annual Report³.

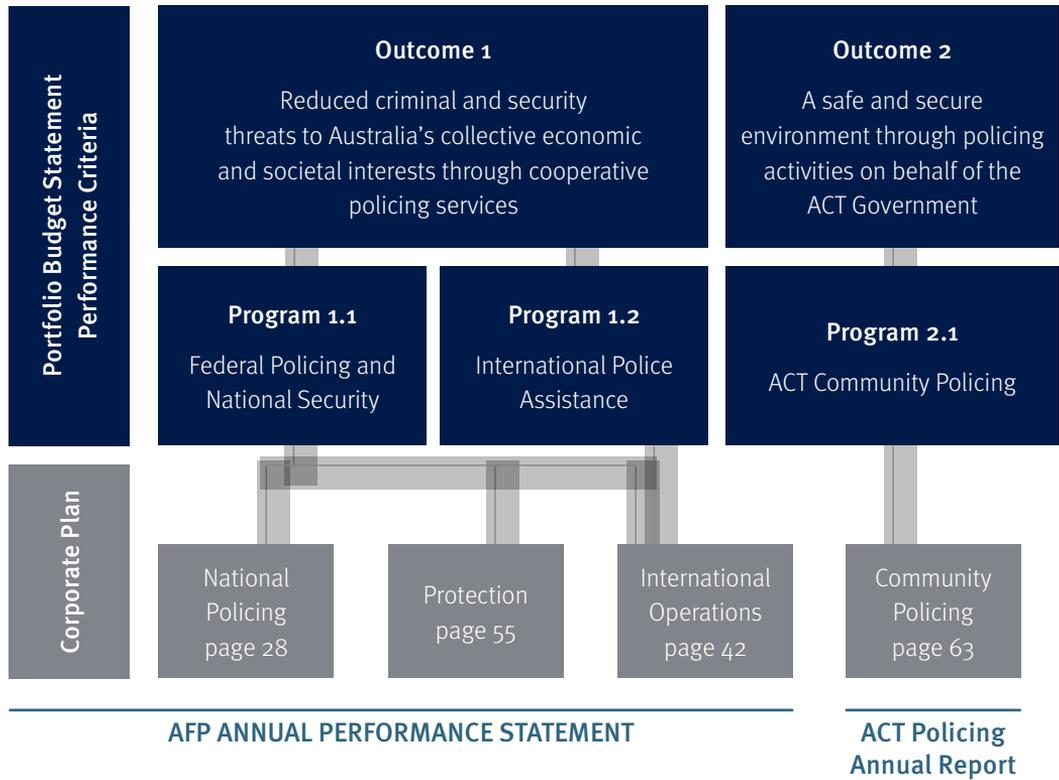
The main change in the performance framework in 2017–18 was the grouping of performance criteria against the AFP's main activities (see the 2017–18 Corporate Plan, pages 18–21). Previously, performance criteria were anchored to Portfolio Budget Statements (PBS) programs only. Figure 3.1 shows the relationship between the PBS outcomes and PBS programs and the Corporate Plan activities. Major changes to the performance criteria include:

- ▶ changing the scope of the community confidence performance criteria. The methodology and data collection of the survey were changed. It now includes a whole-of-Australia perception of community confidence and safety against Commonwealth crimes
- ▶ replacing Key Performance Indicator (KPI) 3, 'percentage of counter-terrorism investigations that result in a prosecution, disruption, diversion or intelligence referral outcome', with two new performance criteria—Prevention and Disruption. Reporting against prevention and disruption activities provide evidence of non-prosecutorial performance across all AFP performance activities, not just counter-terrorism
- ▶ extending the scope of the return on investment measurement to include confiscation of assets and international drug seizures. The new measures give a more complete picture of AFP performance. The AFP will continue to extend this measure over the next few years.

² www.police.act.gov.au/about-us/government-directions

³ ACT Policing Annual Report 2017–18.

Figure 3.1: Relationship between AFP PBS outcomes and programs and the Corporate Plan



Results summary: Outcome 1

The AFP maintained its high performance for operational outcomes this year while operating in a busy and challenging environment. The combined evidence in this Annual Performance Statement shows that the AFP was successful in meeting its purpose of protecting Australians and Australia’s interests for a safer Australia in 2017–18.

This year, we met all but one performance target set in the Corporate Plan and the PBS. Table 3.1 summarises our overall performance against Outcome 1 of the AFP 2017–18 PBS grouped by Corporate Plan activities. Detailed results are presented from page 28, overall analysis is given on page 61 and a financial performance summary is shown on page 63. Historical performance results and trends are provided in Table E1 in Appendix E. Outcome 2 results are discussed on page 63.

Table 3.1: Summary results against AFP 2017–18 performance criteria

Portfolio Budget Statement 2017–18 Outcome 1 (pages 99–100)	Corporate Plan 2017–18 Activities (Pages 18–21)									
	National Policing	Met	Protection	Met	I.O. ⁵	Met	Outcome 1 (combined)	Met	C.P. ⁶	Met
Program 1.1										
Community confidence	62%	●	–	–	–	–	62%	●		
Cyber safety awareness	92%	●	–	–	–	–	92%	●		
Stakeholder satisfaction	90%	●	94%	●	92%	●	90%	●		
Convictions	96%	●	100%	●	-		98%	●		
Disruption	41	●	-	-	165	●	206	●		
Prevention	page 36	●	page 56	●	page 49	●	–	●		
Return on investment	T.C. ¹ 16.0 A.C. ² 3.9	●	–	–	32.4	●	NA ⁴	●		
Avoidable incidents	–	–	0	●	–	–	0	●		
Response to aviation incidents within specified time frames	–	–	P1 ³ –92% P2–93% P3–100% P4–100%	● ● ● ●	–	–	P1 ³ –92% P2–93% P3–100% P4–100%	● ● ● ●		
Program 1.2										
Mission/external territories performance evaluation	–	–		–	page 51	●	–	●	page 63	●

¹ Transnational Crime

² Asset Confiscation

³ Priority level

⁴ A total return on investment is not available because different business rules are used for each performance criterion.

⁵ International Operations

⁶ Community Policing

Results legend

- Achieved
- Partially achieved
- Not achieved

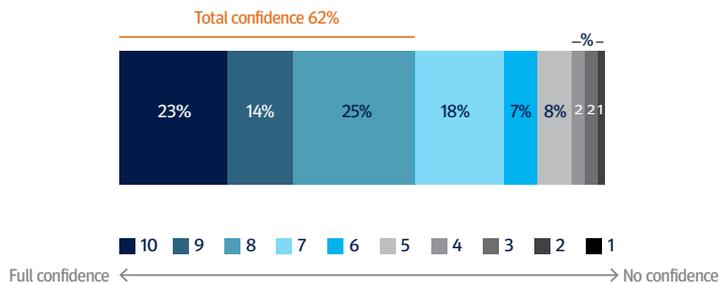
Performance of national policing

1.1 Community confidence ⁴				
Source of criterion	PBS 2017-18			Program 1.1, page 99
	Corporate Plan 2017-18			Page 22
Result	2016-17	2017-18	Target	Achieved
		–	62%	75%

In 2017, the AFP introduced a new performance criterion to its performance framework: Community confidence. In February 2018 we carried out a phone survey of 1,000 members of the general public across Australia, and the results of the survey were used to gauge the level of community confidence in the AFP’s contribution to law enforcement and national security. The target was 75 per cent based on the proportion of respondents who rated confidence in the AFP as eight or more out of 10.

Figure 3.2 shows that 87 per cent of the members of the public surveyed had some confidence (rating 6/10–10/10) in the AFP’s contribution to national security and law enforcement. Within this result, 62 per cent had high confidence (rating of 8/10–10/10) and 26 per cent were somewhat confident (6/10–7/10). Only 13 per cent of respondents have low confidence (rating 1/10–5/10) in the AFP’s contribution. Even though the pre-set target was not met, this is a good result for the first year of this metric and increases our understanding of how the public perceives the AFP’s work.

Figure 3.2: Confidence in AFP contribution to law enforcement and national security



Demographic analysis showed no gender difference in confidence ratings. Non-Australian citizens had slightly more confidence than Australian citizens. Citizens in Western Australia (74 per cent) and South Australia (69 per cent) were the most confident. In contrast, New South Wales (61 per cent) and Victoria (57 per cent) had lower levels of confidence. Older Australians had more confidence (66 per cent) while low confidence (48 per cent) was more pronounced among younger Australians (aged 18 to 24).

⁴ This measure is associated with KPI 4—Level of community confidence in the contribution of the AFP to aviation law enforcement and security, included in 2016-17 annual performance statement. However, the scope and methodology were significantly changed and this year’s results are not comparable to previous years.

Confidence was driven by success stories in media coverage and news broadcasts, when good results were noticed around drug seizures, terror threats or border security at the airports. This is consistent with perceptions of confidence and safety in relation to state law enforcement agencies, where knowledge of and positive experiences with law enforcement drive positive perceptions of the police.

The main improvement identified is the need for ongoing and relevant information and communication from the AFP to the wider community. Only one in 10 Australians understood the work of the AFP and 38 per cent had virtually no knowledge about the responsibilities of the AFP. Depth of knowledge was particularly lacking among young Australians. This may have contributed to their lower confidence levels. Radio and TV were identified as the most useful ways for disseminating information about the AFP. This held for young Australians as well, although social media and online news sources were important for them too.

The community members were also asked about their perceptions of safety against the main operational functions of the AFP. Overall around half (54 per cent) of Australians are made to feel very safe (8/10–10/10) by the AFP's work. Australians felt safer in matters where the AFP has a visible presence—for example, national security (65 per cent) and terrorism (59 per cent). In contrast, in areas where the AFP is less visible and where there is greater overlap with state policing agencies, Australians felt less safe. Two in five Australians (44 per cent) felt safe against organised crime and victim-based crimes. This suggests the need to improve our visibility through communication efforts on the AFP's work in these areas.

1.2 Cyber safety awareness ⁵				
Source of criterion	PBS 2017–18		Program 1.1, page 99	
	Corporate Plan 2017–18		Page 22	
Result	2016–17	2017–18	Target	Achieved
		94%	92%	85%

Cyber safety awareness assesses the effectiveness of messages and strategies for increasing awareness of internet/cyber safety for children. This performance criterion is based on the results of surveys taken after delivery of each ThinkUKnow face-to-face presentation for adults (parents, teachers and carers) across Australia during 2017–18.

In 2017–18, the ThinkUKnow program continues to have a positive impact on audiences. Respondents described the presentation as 'worthwhile ... for anyone that has children', 'really beneficial' and 'very informative'.

After attending presentations this year, 92 per cent of 1670 respondents agreed or strongly agreed that the presentation helped them to better understand how children use the internet and mobile technologies and how to keep children safe online.

⁵ Previously KPI 9—Increased or reinforced cyber safety and security awareness. This performance criterion has been retired and will not be reported on next year.

Figure 3.3: Proportion of attendees with greater cyber safety awareness after attending a ThinkUKnow presentation

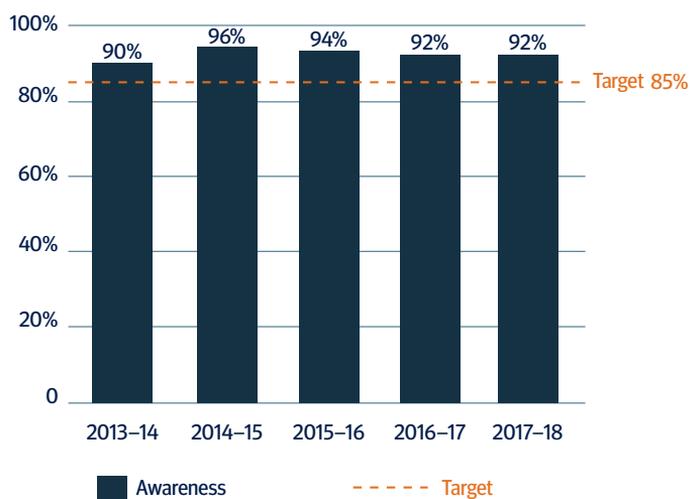


Figure 3.3 shows that the result, although above target, has marginally decreased over the last three years after a high of 96 per cent in 2014-15. To improve the program we will consider participant feedback which says the presentations need to stay relevant to the changing technological environment, could be delivered more often and could include more case studies and real-life examples. See also the ThinkUKnow case study on page 40.

1.3 Stakeholder satisfaction ⁶				
Source of criterion	PBS 2017-18			Program 1.1, page 99
	Corporate Plan 2017-18			Page 23
Result	2016-17	2017-18	Target	Achieved
		90%	90%	85%

The AFP Stakeholder Satisfaction Survey is a longstanding annual survey that measures the level of satisfaction of external stakeholders and partners with the services provided by the AFP. In March 2018, approximately 850 respondents (response rate 45 per cent) replied to our online survey. The target population consists of people who have dealt with any business area of the AFP within the past six months and includes representatives from domestic and foreign law enforcement, government agencies and the non-government sector.

Approximately 490 respondents nominated National Policing⁷ as the area most dealt with. The level of satisfaction was 90 per cent against a target of 85 per cent. Figure 3.4 shows that the result is consistent with satisfaction levels over the last five years.

⁶ Previously KPI 1—Level of external client and/or stakeholder satisfaction. This performance criterion has been retired as an external measure and won't be reported on next year.

⁷ Includes the functional areas of Counter Terrorism, Organised Crime, Crime Operations, Specialist Operations and Support Capability.

High satisfaction with National Policing was evidenced by respondents noting the professionalism of AFP officers—in particular, their integrity and commitment. Areas for improvement include better communication within the AFP to ensure consistent messages are given to stakeholders and decreasing the response time to stakeholders.

‘AFP officers responded promptly and were very professional. AFP officers were also cooperative and constructive in resolving complex or long-running matters, and focused on achieving a positive outcome.

— Survey respondent, 2018

Figure 3.4: Proportion of stakeholders satisfied with AFP National Policing activities



1.4 Convictions ⁸					
Source of criterion	PBS 2017–18			Program 1.1, page 99	
	Corporate Plan 2017–18			Page 23	
Result	2016–17	2017–18	Target	Achieved	
	95%	96%	90%	Yes	

Successful prosecutions of individuals who have committed Commonwealth crimes have a direct impact on that activity and an indirect general deterrence. The AFP measures the success of prosecutions through a conviction rate, which is the proportion of cases the AFP has before court that result in a conviction⁹.

Of the 321 cases finalised at court this year, 309 resulted in a conviction, giving a conviction rate of 96 per cent. Figure 3.5 shows this rate is on par with previous years’ results.

Investigations with a relevant court outcome were primarily on drug importation (57 per cent), child protection (21 per cent) and finance-related crimes (8 per cent).

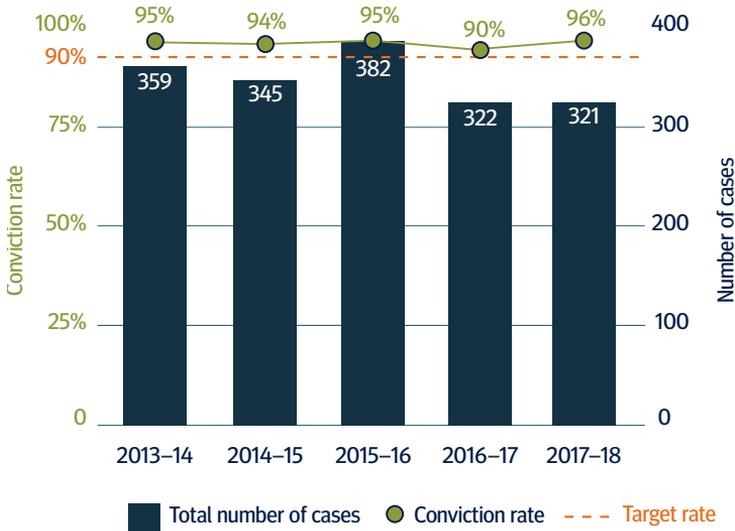
The average run-time was 3.1 years, with nine investigations spanning more than 10 years. These often involved not only the primary investigation and court process but also subsequent appeals.

⁸ Previously KPI 2—Percentage of cases before court that result in conviction.

⁹ Conviction denotes cases with at least one defendant convicted or where the case is proven with no conviction recorded.

The 12 investigations not resulting in a conviction include cases that were found to have insufficient evidence and were subsequently withdrawn from court, cases withdrawn from court and prosecuted under a different jurisdiction and several cases resolved with a not guilty verdict.

Figure 3.5: Conviction rate and number of National Policing cases reaching court and finalised between 2013-14 and 2017-18



- Examples of operations resulting in conviction
- Op Blare ▶ p82
 - Op Sampson ▶ p88
 - Op Melville ▶ p87
 - Op Rune ▶ p82
 - Op Peqin ▶ p72

1.5 Disruption				
Source of criterion	PBS 2017–18			Program 1.1, page 99
	Corporate Plan 2017–18			Page 24
Result	2016–17	2017–18	Target	Achieved
	–	41	No target ¹⁰	Yes

Disruption is an outcome of an investigation. It may take the form of delaying, diverting or otherwise complicating the commission of criminal activity or the operations of a criminal entity. Disruption was formally introduced as a new performance criterion into the AFP performance framework in 2017–18. This measure augments our enforcement indicators such as conviction rate and reflects a broader range of operational tactics, strategies and impacts on complex transnational crime where prosecution (in Australia) may not be feasible or cost-effective.

¹⁰ Disruption count is a new metric for the AFP, introduced in the 2017–18 Corporate Plan; no target has yet been identified. This year’s result will be a benchmark to set targets or direction for future years.

From initial analysis, annual numbers of disruptions seem likely to fluctuate. The use of disruption appears sensitive to the context and particulars of an investigation and will reflect a mix of active investigations. Given the newness of the disruption measure, the AFP will continue to refine its approach to disruption measurement during the next year.

In 2017–18, National Policing recorded 41 disruptions—27 per cent focused on drugs, 22 per cent on economic crime, 17 per cent on child protection and 7 per cent on terrorism. Results show that disruption activities are efficient because they build relationships with partners and reduce criminal-related harm in Australia. The following case studies demonstrate the successful use of disruption activity to reduce harm and protect Australians.

Case study: Reducing harm to communities and victims from child exploitation material

It is well known that child exploitation material contributes to continuing harm within Australian communities¹¹. In 2017, the AFP received information from the United States about a Melbourne man who was suspected of uploading and receiving child exploitation material while using Facebook. Enquiries revealed he was accessing the material. Police officers determined that disruption was the most suitable course of action in this instance. They decided they should visit and speak with the suspect and his carers. As expected, the conversation with police had a deterrent effect on the suspect. Significantly, police contact raised the carers' awareness of the man's conduct and reinforced their duty to report and supervise his computer use closely.

Another technique that can be effective in deterring crime is the caution. It provides information for future investigations and lets the offender know that police are aware of their activities. This is often enough to curb future offending.

For example, in 2017 AFP officers in the Northern Territory dealt with a person who was sharing child exploitation material online. The person was identified through a referral from Queensland Police Service's Taskforce Argos.

The AFP team conducted a search warrant on the person's home. While officers were conducting the search, they discovered evidence that showed that another person was also offending. Officers decided that the most appropriate course was to caution the second person. Since issuing the caution, the person has discontinued their online activities.

¹¹ For details of the harm and costs caused by physical and online child abuse, see C Kezelman, N Hossack, P Stavropoulos and P Burley (2015), *The costs of unresolved childhood trauma and abuse in adults in Australia*, Sydney, Adults Surviving Child Abuse and Pegasus Economics, cited in Child Family Community Australia Resource Sheet, *The economic costs of child abuse and neglect*, September 2016, www.aifs.gov.au/cfca/publications/economic-costs-child-abuse-and-neglect; or C Fisher, A Goldsmith, R Hurcombe and C Soares (2017), *The impacts of child sexual abuse: A rapid evidence assessment*, prepared for the Independent Inquiry into Child Sexual Abuse.

Case study: Massage centre linked to slavery and human trafficking

Disruption activities can also take the form of talking to people about their rights and maintaining a strong visual presence.

In 2017, the AFP received intelligence about a regional massage centre that was reputedly recruiting illegal workers. The operator of the centre advertised misleading job descriptions and then forced his workers to perform sexual services in his establishments. Essentially, the centre was a front for an illegal brothel profiting from exploiting its workers.

Officers' first priority in this case was to minimise human harm. They explored the option of using disruption tactics to affect the operator's business activities.

Police know that an overt police presence near and at premises like this can often discourage customers for a variety of reasons. Also, where police talk to immigrant workers about their rights, those workers often seek better and more lawful conditions. Illegal brothel operators generally cannot provide these conditions. It can be relatively expensive and difficult to obtain appropriate licence conditions and security measures as well as paying appropriate wages.

To achieve their aims, police planned a day of action during November 2017 to disrupt the centre's trade and potentially curtail the exploitation of workers. Australian Border Force (ABF) and AFP officers visited the area and spoke with the workers at the massage centre about their working conditions and their rights. They also tried to dispel negative myths about the authorities.

Officers also doorknocked and spoke with people in neighbouring businesses to educate them about human trafficking offences and forced labour and how to recognise and report them.

As a result of their visit, police identified a number of migration offences. The massage centre operator was issued with fines by ABF members on the day.

It is estimated that these combined enforcement, disruption and prevention approaches have hindered the business's operation for up to six months. It has also reduced physical harm to and enslavement of the workers while incidentally delivering organisational benefits for the AFP, such as a stronger partnership with the ABF. The ABF is likely to continue to scrutinise the operator's activities through visa applications associated with the operator or centre, potentially continuing to disrupt those aspects of the business that are illicit.

Case study: Working with partner agencies to disrupt the importation of illicit drugs

The AFP uses its partnerships with overseas agencies and seizures of consignments to disrupt criminal activities.

In December 2017, US Customs and Border Protection (USCBP) in Los Angeles intercepted a consignment containing illicit drugs bound for Queensland. The drugs were hidden in heavy machinery parts. Similar consignments had been imported from Mexico into the US. The USCBP alerted the AFP about the consignment through the AFP's Los Angeles post.

As a result of the intelligence, the AFP and the Queensland Police Service were able to execute search warrants on south east Queensland premises. During the searches, officers collected information on criminal methodologies and entities for use in future disruptions. The consignments were also seized, which interrupted the drug importations.

There was insufficient evidence obtained for prosecution, so the Australian case was finalised. However, the suspects are unlikely to resume this illegal activity using the same methodology, and no new offences or detections have been identified since the disruption.

Case study: Medicare fraud

In September 2017, the AFP used a mixture of disruption and prosecution to stop fraud and bring perpetrators of fraud to justice.

An opportunity to disrupt a fraud arose during a major organised crime investigation by a joint taskforce. The taskforce was investigating a criminal syndicate that planned to use false identity documents to defraud government payment systems like Medicare.

One of the methods the syndicate was using was theft of private information. The taskforce discovered that an employee was using their access to databases to obtain private information and relay it to the criminal syndicate. The syndicate then used the data to create fraudulent identification documents.

Officers were investigating all of the syndicate's activities with the goal of prosecuting those involved. However, they decided that this aspect of the fraud needed to be curtailed immediately. They wanted to deal with it inconspicuously so the syndicate would not know it was being investigated by police.

Officers requested the Department of Human Services to issue a general alert to medical practices and Medicare call centres warning them of the theft of private information from databases. This had the effect of stopping the illegal activities of the employee while allowing officers to continue to collect evidence against the syndicate and later lay charges. Syndicate members are facing court later in 2018.



Other examples of operations resulting in a disruption

Op Astatine ▶p83

Op Veyda ▶p45

Op Silves ▶p74

Op Sampson ▶p88

International disruption case studies ▶p43

1.6 Prevention				
Source of criterion	PBS 2017–18			Program 1.1, page 99
	Corporate Plan 2017–18			Page 24
Result	2016–17	2017–18	Target	Achieved
		–	See text below	Successfully targeted crime prevention

In 2017–18, Prevention was introduced into the AFP performance framework as a performance criterion. Under this measure, the AFP uses alternative strategies and operational tactics to prevent crime—for example, terrorism, cybercrime, fraud and foreign bribery—before it occurs.

In 2017–18, the AFP used a range of different activities to prevent offences from occurring—for example, diversion, environment hardening, legislative/policy changes, raising public awareness and education and training. The following case studies demonstrate the successful use of prevention activity.

Case study: Working closely with Australian Cyber Security Centre partners

As part of crime prevention activities, the AFP engages in whole-of-government initiatives.

We also provide advice to jurisdictional law enforcement agencies, government and the private sector to increase cybercrime awareness and improve agencies' abilities to better protect themselves from cyber attack.

A key example is the AFP's involvement in the Australian Cyber Security Centre (ACSC) initiative to harden the environment against cybercrime.

The ACSC is the Australian Government's lead agency on national cyber security. It brings together cyber security capabilities from across the Australian Government to improve Australia's cyber-resilience.

In July 2017, the Australian Government released the 2017 Independent Intelligence Review, which recommended new arrangements for the ACSC. The AFP has been closely engaged in implementing the new arrangements, including integration of roles and capabilities within the expanded ACSC and its regional nodes in state capitals; and embedding sworn investigators, technical specialists and intelligence analysts.

The specific role of the AFP within the ACSC is to:

- ▶ represent Australian law enforcement interests with the key stakeholders and partner agencies within ACSC
- ▶ provide a law enforcement approach to criminal cyber threats being addressed by the ACSC
- ▶ provide police powers, liaison networks and legislative capabilities to add value to the ACSC's whole-of-government threat awareness and response capabilities.

AFP members working within the ACSC undertook over 2,000 assessments over the financial year, identifying many significant referrals for criminal investigation. They also assisted international partners such as the UK National Crime Agency; the US Department of Justice; the Federal Bureau of Investigation (FBI), and domestic partners, including state and territory police, private industry and academia.

Case study: Money mules unaware of their involvement in crime

AFP conducts many of its cybercrime intelligence activities to identify how crimes are committed. We can then work with partners to identify and enact potential prevention solutions.

Operation Taforalt is one such exercise. This operation involved an intelligence probe to identify and disrupt ‘money-muling’ activities that support cybercrime in Australia. The operation aimed to prevent money-muling through education, deterrence and disruption.

Money mules are often unwitting victims of organised crime syndicates. They can be unaware they are facilitating crime. For example, they may have responded to scam advertisements for ‘job opportunities’ listed by fake businesses.

Under Operation Taforalt, intelligence was collected from multiple sources and cross-checked with Australian Criminal Intelligence Commission, the ABF and Australian Transactions Reporting and Analysis Centre (AUSTRAC) holdings. The AFP interviewed 25 people suspected of being money mules to find out how they were recruited and how funds were remitted. Officers established that the mules were recruited in various ways:

- ▶ one case related to fraudulent Bitcoin investment
- ▶ six cases related to identity theft
- ▶ 11 cases related to employment scams
- ▶ six cases related to romance scams
- ▶ in one case funds were transferred on behalf of a friend.

During the Europol Money Mule Week of Action, Operation Taforalt assisted by collecting information and reporting intelligence back to Europol for processing and inclusion into their prevention activities. Europol created a media campaign under the hashtag ‘#dontbeamule’. The campaign was promoted Australia-wide through financial institutions, which displayed posters at branches, ATMs and on online banking facilities.

Case study: Preventing travel to conflict zones

Prevention of violent extremism is the most effective defence against terrorism. The early identification, assessment and intervention of at-risk individuals is critical in addressing the threat from violent extremism.

In 2017, the AFP assisted one of its state policing partners in a week of activities to counter violent extremism. During the week the AFP, in conjunction with state police, engaged with identified individuals who were potentially at risk of providing unlawful support to an ideological cause.

During the engagement, the AFP received information that a person was leaving Australia and was intending to travel to a conflict zone. Additional information revealed that he had recently become radicalised and was attempting to influence younger persons. He had booked a flight to leave the country that evening. Authorities were notified and the person was stopped at the airport.

The man's property was examined and material supporting Islamic State and links to a person of interest were found. After further inquiries, he was arrested and charged by the relevant JCTT with preparing to enter a foreign country to engage in hostile activities.

The engagement activities were instrumental in identifying this person and preventing him from travelling to the conflict zone.

Case study: Supporting young people at risk of violent extremism

As part of its role, the AFP identifies individuals who might be suitable to enter state-led intervention programs, helps assess individuals for suitability for those programs, and provides input into key policy initiatives at the Australian Government and state and territory levels.

In 2017, the AFP received information through the relevant JCTT about a young person who was accessing and requesting Islamic State propaganda online. The AFP and the countering violent extremism intervention coordinator in the relevant state police force met and assessed the young person's suitability for inclusion in the state-led intervention program.

Inquiries revealed that the person was socially isolated from the community and their family. The only interactions the person was having outside immediate family were online interactions. The AFP worked with its state partner to identify the person's needs, develop mitigation options to help to integrate them into the community and provide support to the family. The person was given access to education and health services and is now actively engaged within the local community, participating in organised activities and undertaking employment training.

During the reporting period, another young person was referred to the AFP team because they were at risk of radicalisation. The young person was assessed as being suitable for inclusion in a state-led intervention program, and the AFP team began engagement with the person and their family.

After several meetings, the young person voluntarily became a client of the state-led intervention program. The young person was assisted with health services and development opportunities and has since demonstrated a significant improvement in their self-worth, life goals and interaction with family and the community.

The young person is currently undertaking employment training and looking toward a future that does not include extremist activity.

Case study: 'Look a Little Deeper'

Australia is a signatory to the United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children. As a signatory, Australia is obliged to train law enforcement, immigration and other relevant officials on preventing and prosecuting trafficking and protecting the rights of the victims.

The AFP is the agency responsible for strengthening national training to law enforcement under the National Action Plan to Combat Human Trafficking and Slavery.

In 2017, the AFP and Victoria Police developed the 'Look a Little Deeper' training package to educate law enforcement officers on human trafficking indicators, human slavery, forced marriage and best-practice responses. The training package equips AFP officers with the ability to intervene in human trafficking matters early. We launched an e-learning version of the package in November 2017.

Forced marriage remains the main form of human trafficking reported to the AFP, followed by forced labour and sexual servitude.

Case study: Northern Territory Emergency Response Child Abuse Taskforce community engagement

The Northern Territory Child Abuse Taskforce (NTCAT) investigates allegations of serious and complex child maltreatment across the Northern Territory. It is a partnership between the Northern Territory Police, the Northern Territory Department of Children and Families and the AFP.

In 2017–18, the taskforce received reports that young Indigenous youth were being subjected to sexual and physical violence during traditional initiation ceremonies. It was claimed that during these ceremonies some young people had sustained injuries that had led to medical evacuations. Such incidents not only cause pain and suffering to children but also strains health and related services.

In March 2018, NTCAT members, the AFP and a Northern Territory Police community engagement officer travelled to a remote community to provide education and increase awareness of this issue. The NTCAT team held discussions with the community and the tribal elders about the injuries young people were sustaining during initiation ceremonies. During the visit the AFP team had approximately 300 positive interactions with community members, and a number of sessions were held with school classes and with teams at after-school sport activities.

One member of the AFP engagement team identifies as Indigenous and holds a Masters in Indigenous Knowledges and Cross Cultural Mediation. His education and experiences are unique and provided the engagement team with opportunities that would not otherwise have been available.

The engagement strategy was highly productive and included a managed tour of traditional ceremony grounds by local elders. We hope these meetings will help to protect children and prevent future harm.

Case study: Creating greater awareness of cyber safety and cyber security

The ThinkUKnow program delivers cyber safety presentations to school children. The presentations cover a range of topics, including sexting, cyber bullying, online child exploitation and online privacy. ThinkUKnow is a partnership between the AFP, the Commonwealth Bank, Microsoft and Datacom. It is delivered in partnership with all state and territory police and Neighbourhood Watch Australasia.

In 2017–18, the program delivered 2711 presentations to 196,880 students nationally and 485 presentations to over 17,000 parents, carers and teachers¹². In November 2017, the AFP piloted a ThinkUKnow cyber safety session at Fairfield High School New South Wales, organised in conjunction with the Commonwealth Bank.

The AFP and the New South Wales Police delivered a full day of cyber-safety educational sessions to parents and carers from cultural and linguistically diverse backgrounds. The initiative, the first of its kind, was delivered using simplified technology concepts and run with the assistance of an interpreter. The event received positive feedback from the school and attendees; nearby high schools have requested similar sessions. The Facebook live video of the presentation reached more than 24,000 people and generated more than 100 reactions, comments and shares.

We also developed a series of fact sheets in several languages on topics such as young people and technology, staying safe, and protecting personal information.

1.7 Return on investment for transnational crime ¹³				
Source of criterion	PBS 2017–18			Program 1.1, page 99
	Corporate Plan 2017–18			Page 25
Result	2016–17	2017–18	Target	Achieved
		3.1	16.0	Positive return (i.e. >1)

The value of the AFP's transnational crime efforts is calculated through a cost-benefit analysis of investigations finalised in 2017–18. However, some of those investigations may have commenced up to 10 years ago.

In 2017–18, the AFP's national policing efforts returned \$16 for every dollar invested. The return on investment was \$17.40 for drugs investigation and \$8.20 for financial investigations. Costs include law enforcement, judicial, court and prison costs. Benefits are measured by summing the following two factors:

- ▶ Drug Harm Index (DHI)¹⁴, which is an estimate of the potential harm that would have ensued if illicit drugs and precursors seized at the border had reached the community. For cases finalised this year there was \$5.3 billion in benefits, including avoided drug harm, against a cost of \$304 million
- ▶ estimated financial return (EFR)¹⁵, which is the amount of money estimated to have been saved by law enforcement efforts on crimes such as fraud and money-laundering. It is based on estimates of past losses recovered and specific and general deterrence. For cases finalised this year there was a \$450 million estimated financial return against a cost of \$55 million.

¹² <http://thinkuknow.org.au/corporate-report>

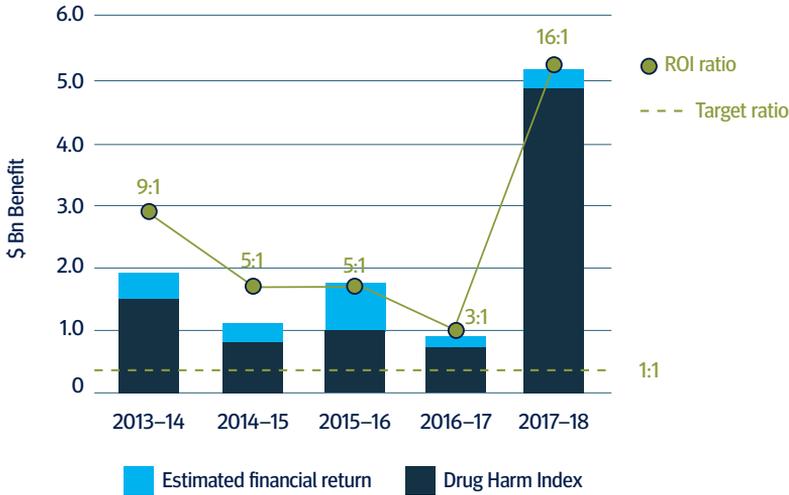
¹³ Previously KPI 7—Return on investment for investigation of transnational crime.

¹⁴ www.afp.gov.au/about-us/publications-and-reports/return-investment-methodology

¹⁵ www.afp.gov.au/about-us/publications-and-reports/return-investment-methodology

Figure 3.6 shows that the value of the illicit drug and economic crime varies widely from year to year. Value is contingent on the size of the benefits involved in the investigation, the time taken to investigate a matter, the number of offenders, the success of the prosecution and the subsequent length of sentences. Many of these factors are outside the AFP’s control.

Figure 3.6: Return on investment for transnational crime trend—total benefits and return on investment ratio



1.8 Return on investment for asset confiscation ¹⁶				
Source of criterion	PBS 2017-18		Program 1.1, page 99	
	Corporate Plan 2017-18		Page 22	
Result	2016-17	2017-18	Target	Achieved
		–	3.9	Positive return (i.e. >1)

AFP activities target and disrupt the criminal economy by confiscating assets that are linked to illegal activity. Confiscation of criminal assets is a key strategy used by law enforcement across the world to fight organised crime.

Within the AFP, the investigation and litigation of criminal assets confiscation matters is administered through the multidisciplinary and multi-agency Criminal Assets Confiscation Taskforce, which brings together resources and expertise from the AFP, Australian Taxation Office and the Australian Criminal Intelligence Commission. The taskforce also works closely with other domestic and international partners. The return on investment for asset confiscation indicator provides a more thorough measure of the overall performance on proceeds of crime than the performance indicator it replaced: it reflects the entire litigation process and the ultimate amounts confiscated as a result of that litigation rather than just the initial stage of asset restraint.

¹⁶ Replaces KPI 8—Assets restrained.

Benefit is measured by the realised asset values provided to the AFP from the Australian Financial Security Authority. It measures assets or amounts realised in 2017-18, but these assets may relate to investigations commenced in previous years or where the confiscation order was made in an earlier financial year. The return on investment for asset confiscation is 3.9 against a target of 1. This is based on a total benefit of \$78.5 million of confiscated assets over costs of \$19.9 million.

The amount confiscated each year depends on the individual circumstances of the matters being litigated, including the time taken to litigate matters to finality, the time taken to realise confiscated assets and the value of the assets when they are sold. It is also constrained by the resources available to simultaneously litigate current matters as well as progress future matters. Many of these factors are outside the AFP's control.

Performance of international operations

2.1 Stakeholder satisfaction				
Source of criterion	PBS 2017-18			Program 1.1, page 99
	Corporate Plan 2017-18			Page 23
Result	2016-17	2017-18	Target	Achieved
		89%	92%	85%

This year approximately 107 respondents (response rate 40 per cent) in our online stakeholder satisfaction survey in March 2018 nominated International Policing as the area they deal with most. The target population consists of people who have dealt with any business area of the AFP within the past six months. The target population is a diverse group and includes domestic and foreign law enforcement, government agencies and the non-government sector. For the first time we translated the survey into Chinese and Vietnamese to help us to reach a wider audience.

The level of satisfaction for International Policing is 92 per cent against a target of 85 per cent. Figure 3.7 shows that the result is a 3 per cent increase on previous years.

High satisfaction with International Policing was evidenced by respondents noting the professionalism of AFP officers, in particular, their integrity and commitment and efficiency of work practices. Areas for improvement include better communication within the AFP to ensure consistent messages are given to stakeholders, and a willingness to share more information.

The officers I have dealt with have been very cooperative and very interested in engineering beneficial outcomes for all stakeholders. They have been realistic, fair and inclusive in their dealings (with stakeholders).

— Survey respondent, 2018

Figure 3.7: Proportion of stakeholders satisfied with AFP International Policing activities



2.2 Disruption				
Source of criterion	PBS 2017–18		Program 1.1, page 99	
	Corporate Plan 2017–18		Page 24	
Result	2016–17	2017–18	Target	Achieved
	–	165	No target ¹⁷	Yes

Disruption was formally introduced into the AFP performance framework as a new performance criterion in 2017–18.

International disruptions include two types of AFP work offshore. The first involves AFP members—located offshore—assisting partner police efforts and investigations in-country. Often these in-country operations result in drug seizures and arrests. If the AFP assisted, these are counted as AFP offshore disruptions. These kinds of offshore disruptions account for the majority of the disruption count.

The second type involves AFP investigative teams in Australia working on major joint operations with offshore police. These cases often involve multiple locations, nations and agencies. In this case, the AFP international operations portfolio (through members located offshore) facilitates international cooperation, intelligence exchange and the joint investigation. This work is also counted as an international disruption. This is the first year we are reporting on the criterion, and we anticipate refinements and further embedding of the total international disruption measure for next year.

In 2017–18, AFP international operations recorded 165 disruptions. Most of these cases related to the sexual exploitation of children (34 per cent), drugs (26 per cent) and

¹⁷ Disruption count is a new metric for the AFP, introduced in the 2017–18 Corporate Plan. No target has yet been identified. This year will act as a benchmark to set targets or direction for future years.

victim-based crime (13 per cent). The following case studies show the complexity and scope of AFP work and demonstrate the successful use of offshore disruption activity to reduce harm and protect Australians.

Case study: Operation Okesi

Operation Okesi is an investigation of a highly organised transnational criminal syndicate that was attempting to import large quantities of illicit drugs into Australia using commercial fishing vessels.

The operation commenced in July 2014 as a joint investigation of the AFP and the New South Wales Police Drug Squad. It involved investigations in Fiji, Tahiti, and Columbia and regular liaison between the investigating team and AFP International Operations officers, particularly in Suva, Bogota, London and Washington.

Between 2014 and 2016 the investigation resulted in 18 arrests. There were also three separate seizures of:

- ▶ 30 kilograms of heroin in Fiji (December 2014)
- ▶ 610 kilograms of cocaine in Tahiti (February 2015)
- ▶ 500 kilograms of cocaine in Brooklyn, New South Wales (December 2016).

Despite these seizures, the group continued to operate.

In 2017–18, a fourth seizure and disruption of the group occurred. Following the Tahiti cocaine seizure in 2015, intelligence between Australian and French authorities led to the expansion of the investigation. Colombian involvement was identified. The AFP International Operations office in Bogota, relayed information to the Colombian Transnational Crime Team, which commenced its own investigation. That investigation identified new suspects who were known to local authorities for being involved in large-scale international drug (cocaine) trafficking.

Another avenue of inquiry also developed. The Chilean Investigations Police identified additional people involved in the drug trade and located a storage site for illicit drugs. Officers seized approximately 183 kilograms of cocaine in Chile and seven people were arrested and charged with offences. It appears likely that this group had previously sent cocaine to Australia and had plans to send further shipments.

This fourth seizure and disruption may have had a more lasting effect than the previous three. Key organisers and distributors of the criminal syndicate were arrested, their potential income was reduced and a safe house/drug storage location was exposed. The seizures and arrests should also hinder ongoing operations by forcing the syndicate into the criminal justice system, absorbing their time, effort and finance.

This investigation demonstrates effective international law enforcement operational cooperation, criminal intelligence sharing and strategic engagement. With each stage, cooperation among law enforcement organisations strengthened and expanded leading to new intelligence leads and pathways to suspects and locations.

Case study: Operation Veyda

Operation Veyda was an investigation of organised crime syndicates believed to be involved in multiple criminal activities like money laundering, illicit drugs and illegal tobacco imports. The syndicates were capable of moving large amounts of border controlled drugs from Europe and Asia to Australia at short notice. They also had large stockpiles of drugs in multiple countries and had direct or suspected criminal links to most parts of Europe, the Middle East, and Asia.

The crime syndicates generated substantial 'black economy revenue'. Drugs seized in the Netherlands alone had an estimated street value of \$810 million. The syndicate also failed to pay import duties on its tobacco imports. People associated with the syndicate were believed to have made threats using firearms.

Operation Veyda commenced in 2016. It was led by Sydney's Organised Crime team and the International Operations portfolio. Complex investigations like this also involve a network of agencies to combat the breadth of criminal operations and navigate intelligence, jurisdictional and evidentiary issues. In this case, five law enforcement agencies in Australia, including the New South Wales Police, and nine partner law enforcement agencies in the United Arab Emirates (UAE), the Netherlands, the United Kingdom and the United States were involved.

An AFP Senior Liaison Officer in The Hague engaged with the National Police of the Netherlands (NPN) at an operational level. This facilitated criminal intelligence sharing and strategic engagement to ensure senior criminal syndicate members were targeted.

The AFP's partnership with the Dubai Police has also been considerably strengthened through Operation Veyda. The ongoing engagement at the operational level over a four-month period allowed the AFP and the Dubai Police to build a solid working relationship involving real-time sharing of criminal intelligence and joint covert operations. The relationship developed naturally through the mutual pursuit of organised crime subjects in the UAE and general policing matters.

In August 2017, Operation Veyda investigators commenced a series of simultaneous operations involving search warrants in Australia and offshore. The AFP worked closely with counterparts in the Netherlands and the UAE to ensure timing was synchronised: if some of the searches were carried out before others, criminals in other locations could be alerted and could take defensive measures. More than 575 officers were involved in dozens of raids in Sydney, where 30 search warrants were executed. In all, 17 people were arrested across three continents: 10 in Sydney; five in the UAE and two in The Hague.

Those arrested were charged with a variety of offences relating to money laundering and the importation of drugs and tobacco. The operation seized 1.8 tonnes of 3,4-Methylenedioxymethamphetamine (MDMA or ecstasy), 136 kilograms of cocaine and 15 kilograms of crystal methamphetamine in the Netherlands, with an estimated street value of \$810 million. These drugs were destined for Australia but, due to the concerted efforts of international law enforcement agencies, never made it to their destination. More than \$5.5 million was also seized. Police intend to undertake proceeds of crime action against individuals involved in the case.

‘The people we allege are part of this syndicate are Middle Eastern organised crime figures that are well known to law enforcement, and for decades this group has flaunted their wealth and activities, telling the community they were untouchable. Today, it should be obvious that they are not’, then Assistant Commissioner Neil Gaughan said to the media at the time the searches were carried out.

In September 2017, the three Australian nationals who had been arrested in Dubai returned to Australia under extradition arrangements to face Commonwealth and New South Wales charges of:

- ▶ conspiracy to import a commercial quantity of an illicit drug. The maximum penalty for this offence is life imprisonment
- ▶ dealing in proceeds of crime and money worth \$1 million or more. The maximum penalty for this offence is 25 years imprisonment
- ▶ possession of imported tobacco products with the intent to defraud revenue. The maximum penalty for this offence is 10 years imprisonment
- ▶ supplying a large commercial quantity of a prohibited drug. The maximum penalty for this offence is life imprisonment
- ▶ taking part in the supply of a large commercial quantity of a prohibited drug. The maximum penalty for this offence is life imprisonment.

By February 2018, 18 people had faced charges relating to Commonwealth and state offences of possession of prohibited drugs and weapons offences and illegally importing tobacco into Australia.

The significant operational success in the UAE and the subsequent and residual legal issues being worked through give the UAE authorities an opportunity to develop capability and expertise for prospective joint investigations. The successful operation also resulted in the establishment of a working group with NPN (Empact Koala—funded through Europol) and a variety of intelligence exchange visits between both the AFP and NPN.

Operation Veyda highlights the value of the AFP’s relationships with international partners, primarily facilitated through officers located offshore, to keep Australia and Australians safe.

The AFP enjoys a strong relationship with the Netherlands National Police (NPN) strategically, operationally and through criminal intelligence sharing. The AFP has had an ongoing presence in the Netherlands since 2000. The AFP and the NPN also partner in building law enforcement capabilities, most notably via the Asia Regional Law Enforcement Management Program (ARLEMP). ARLEMP, which commenced in 2005, has become a flagship program for emerging police managers and leaders addressing cross-border crimes through innovative training and cooperation. To date, 947 law enforcement officers from 28 countries have graduated from ARLEMP and continue to work together to combat transnational crimes in our region.

Case study: Operation Kerguelen

Operation Kerguelen was an investigation of an organised crime syndicate. The AFP alleges that the syndicate planned to export methamphetamine from Northern California to Bacchus Marsh in Victoria using a Cessna P210. The operation resulted in a successful interception and the arrest of those involved.

The operation was a joint investigation between the AFP and the United States Drug Enforcement Administration (DEA). The success of the operation was facilitated and enabled by relationships developed between the DEA and AFP International Operations officers in the US.

In January 2017, the AFP learnt that an organised crime syndicate had purchased a Cessna P210, which was located in California. We drew on relationships developed over many years and approached the DEA to:

- ▶ confirm the location/airfield where the plane was hangered
- ▶ conduct surveillance on members of the syndicate in the US.

As the investigation progressed, the AFP and the DEA identified that a border controlled drug was located in a storage unit in Northern California. The AFP deployed two senior investigators to California to brief the DEA. Later in the investigation, the DEA also deployed an officer to Australia. The AFP and the DEA worked closely, sharing criminal intelligence, and developed a joint resolution strategy.

On 15 June, the DEA executed a search warrant on the storage unit in Northern California. It seized approximately 272 kilograms of methamphetamine (with an estimated street value of approximately \$255 million).

In July 2017, coordinated search warrants were executed in Melbourne, Sydney and Santa Rosa, California. The AFP made three arrests in Australia and seized \$2.4 million in cash. Three men were charged with conspiracy to import a commercial quantity of an illicit drug and with money laundering. The charges carry a maximum sentence of life imprisonment.

This seizure accounts for approximately 3 per cent of the methamphetamine used in Australia each year. Therefore it had a direct impact on the availability of ice in the Australian community. This investigation removed the profits from this trade and also disrupted criminal activities. The arrests and charges will hinder ongoing criminal activities as individuals are processed by the justice system.

Acting Commander Manager Organised Crime Krissy Barrett said the close working relationship with the DEA was vital in the disruption of this illicit drug trade: 'To successfully combat crystal methamphetamine in Australia, the AFP's long-term strategy has been to target the offshore transnational organised crime syndicates targeting Australia and we cannot do this without the help of our international partners such as the DEA'.

DEA Resident-in-Charge Sydney Office, Eric W Baldus, said, 'Our strong partnerships with the AFP, and others within the international law enforcement community, are vital to our unified efforts in combating the world's most dangerous and prolific narcotics traffickers ... these arrests, in conjunction with the seizure of a significant amount of crystal methamphetamine in Santa Rosa, CA, are representative of the strength and effectiveness of our combined global policing strategies'.

The matter is progressing through the courts in Victoria.



Other examples of operations resulting in a disruption

Taskforce Blaze ▶p92

Taskforce Storm ▶p92

Child Exploitation ▶pp88, 91

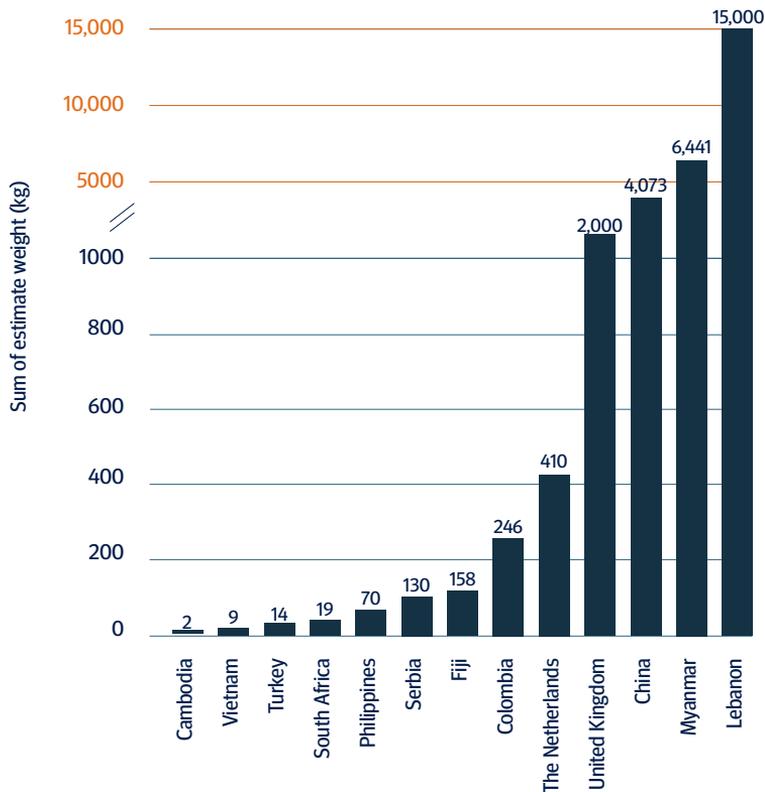
2.3 Return on investment for international operations

Source of criterion	PBS 2017–18			Program 1.1, page 99
	Corporate Plan 2017–18			Page 24
Result	2016–17	2017–18	Target	Achieved
		–	32.4	Positive return (i.e. >1)

The value of international operations is assessed, for the first time, through a cost benefit analysis. Benefit is measured by the DHI¹⁸ which summarises in dollar terms the social impact of the international efforts in securing or assisting with offshore seizures of illicit drugs in 2017–18. Cost estimates include costs incurred at all AFP international posts in 2017–18.

This year the AFP's international operations returned over \$32 for every dollar invested. This is based on a benefit of 28 tonnes of drugs seized by international police services during 2017–18 with a corresponding DHI of approximately \$4 billion and costs of \$120 million. This is likely to be an underestimate of offshore work, as this tally only includes work by posts assisting local services in in-country operations. Figure 3.8 shows that most seizures were intercepted in Lebanon (including a 15 tonne seizure of cannabis), China and South-East Asia.

Figure 3.8: Location and size of international drug seizures involving the AFP



18 <https://www.afp.gov.au/about-us/publications-and-reports/return-investment-methodology>

2.4 Prevention				
Source of criterion	PBS 2017–18		Program 1.1, page 99	
	Corporate Plan 2017–18		Page 24	
Result	2016–17	2017–18	Target	Achieved
	–	See text below	Successfully targeted crime prevention	Yes

Prevention activities occur for all crime types. During 2017–18, the AFP conducted prevention work involving diversion, environment hardening, legislative/policy change, raising public awareness and education and training. The following case studies demonstrate the successful use of prevention activities in our International Operations to reduce harm and protect Australians.

Case study: Pacific Police Development Program—Regional (PPDP–R) Cyber Safety Pasifika

Cyber Safety Pasifika (CSP) emerged out of the 39th Pacific Islands Chiefs of Police Conference in 2010. CSP aims to increase Pacific police capability to enforce cyber related laws and to investigate and prosecute cyber related crime and offences.

The CSP has three pillars of prevention activity. The first and third pillars focus on training police officers to deliver cyber safety awareness sessions in their respective countries and developing police officers' knowledge and skills to investigate basic cyber-related (and technology-enabled) crimes. The second pillar focuses on the review of cyber-based legislation in Pacific Island countries.

CSP is managed by the AFP Pacific Police Development Program—Regional. The AFP oversees program implementation, facilitates training and mentoring activities, funds local CSP initiatives delivered by Pacific police, and draws on Australian and international law enforcement networks to connect Pacific policing organisations with leading experts in cyber safety and security. Examples of CSP initiatives are provided below.

Pillar 1: In Vanuatu, since completing the CSP Awareness Training Program in May 2017, members of the Vanuatu Police Force (VPF) Crime Prevention and Community Safety Unit have delivered cyber safety awareness sessions to over 1100 community members. The VPF has engaged an additional 4,000 parents and children at various community events. It has also enlisted the support of the national rugby team to assist with cyber safety initiatives and deliver regular awareness messages on the Police Toktok Radio Program. The aim of these activities is to educate communities, particularly children, about staying safe online. It is hoped these sessions will decrease instances of cyber-related offences in Vanuatu.

Pillar 2: With the support of Pacific Island Law Officer Network (PILON) members, CSP has been reviewing cyber-based legislation in Pacific Island countries and developing supportive policy where required (led by the Attorney-General's Department (AGD)). In Tonga, the AGD and PILON have supported partners to strengthen their legal framework

to combat cybercrime. In 2017, Tonga became the first Pacific nation to accede to the Council of Europe Convention on Cybercrime, and it has since been working with the AGD to finalise legislation that meets convention obligations. Tonga’s new laws bolster the capacity of the Tonga Police to effectively investigate and prosecute cybercrime, including by working with cross-border partners to share intelligence and evidence.

Pillar 3: CSP is working with the US FBI and INTERPOL to finalise a Pacific Cybercrime Training Program. A pilot Basic Cybercrime Investigations Course was delivered in 2017 and was well received by a number of Pacific police officers. In the Republic of Palau, officers who completed the pilot course said it had helped them to investigate their first cyber-related fraud investigation.

Case study: International operations: Bali— Registered offenders prevented from entering Indonesia

The AFP has been working with foreign and domestic law enforcement and Commonwealth partners to prevent, disrupt and restrict international travel by registered sex offenders.

In 2017–18, cooperation between the AFP and Indonesian Immigration, facilitated by AFP officers in Bali and Jakarta, has contributed to a reduction in the number of registered offender arrivals into Bali from 157 in 2013 to five in 2017–18. The rate of offenders turned away at the Indonesian border has also significantly increased. No registered offenders were refused entry in 2013, while 88 per cent were refused entry in 2017–18.

The AFP is responsible for the prevention and investigation of child sex offences and other offences involving child exploitation material or child abuse material outside Australia. The AFP also assists and cooperates with partner law enforcement agencies to prevent Australian citizens and residents or other registered offenders from committing sex offences against children outside Australia.

The AFP has access to information about registered offenders and can disclose this information provided it has reasonable grounds to suspect that a registered offender is going to commit sex offences against children. We use the National Child Offender System—a national database used by law enforcement agencies to register, manage and share information about child sex offenders—to identify registered offenders.

The AFP’s disclosures, coupled with strong interoperability and cooperation between the AFP and foreign law enforcement partners, have resulted in reduced risk of child exploitation offshore by offenders known to Australian law enforcement agencies.

In December 2017, legislation was introduced to criminalise international travel for registered sex offenders. This legislation further strengthens the AFP’s ability to prevent the potential exploitation of children.

Case study: International operations: Bali— Outlaw motorcycle gangs prevented from entering Indonesia

Anecdotal information and current intelligence suggests that members of Australian outlaw motorcycle gangs have been travelling to South-East Asia, including Bali and other parts of Indonesia, to carry out criminal activity, escaping the observation of Australian and Indonesian law enforcement agencies.

To combat this, in 2017–18 AFP officers in Bali, established a preventive information exchange arrangement with the Indonesian National Police (INP) and Indonesian Immigration. This arrangement allows the organisations to share criminal history and criminal association information on a case-by-case basis. The INP and Indonesian Immigration review and assess the information supplied in accordance with Indonesian law.

As a result of this arrangement, a number of outlaw motorcycle gang members have been prevented from visiting Bali. It has also led to the disruption of suspected criminal activities.

This mix of prevention and disruption efforts has been significant in promoting cooperation between the AFP and foreign law enforcement agencies and in disrupting gang members' ability to establish criminal networks in South-East Asia, particularly Bali.

As a result of the success of the arrangement, this type of prevention/disruption framework is now being considered for use in other jurisdictions.

2.5 Mission and external territories performance¹⁹

Source of criterion	PBS 2017–18		Program 1.2, page 100	
	Corporate Plan 2017–18		Page 26	
Result	2016–17	2017–18	Target	Achieved
		–	See text below	Evaluations completed and recommendations addressed

The performance of AFP international police assistance missions is assessed through a formal framework of independent and internal monitoring and evaluation. There are two mechanisms: the first is a six-monthly routine assessment through the Mission Performance Report process; and the second includes strategic thematic and program evaluations. Three formal evaluations were completed this year.

¹⁹ Previously KPI 11—Mission/external territories performance evaluation.

Mission performance reports

All AFP missions are assessed against evaluation criteria set by the Organisation for Economic Cooperation and Development (OECD)–Development Assistance Committee and the Department of Foreign Affairs and Trade (DFAT) Australian Aid program. The criteria are effectiveness, efficiency, gender equality and sustainability. Table 3.2 summarises the results for the July–December 2017 reporting period.

Table 3.2: Overall performance by criteria for each AFP mission

Missions	Criteria				Overall performance
	Effectiveness	Efficiency	Gender equality	Sustainability	
Nauru Police Force Police Capacity Program	●	●	●	●	●
Papua New Guinea–Australia Policing Partnership	●	●	●	●	●
Pacific Police Development Program–Regional	●	●	●	●	●
Samoa–Australia Policing Partnership	●	●	●	●	●
Solomon Islands Police Development Program	●	●	●	●	●
Timor-Leste Police Development Program	●	●	●	●	●
Tonga Police Development Program	●	●	●	●	●
Vanuatu–Australia Policing and Justice Program (assessed by DFAT through Aid Quality Checks)	●	●	●	●	●

Results legend: ● Achieved ● Partially achieved ● Not achieved

A Royal Papua New Guinea Constabulary and AFP member featured in a Women In Policing television commercial aired throughout PNG.



All AFP missions demonstrated evidence of effectiveness. Case studies and observations from external stakeholders helped highlight some of the positive changes in behaviour and practice. For example:

- ▶ The Pacific Police Development Program—Regional demonstrated that police officers in Tuvalu and the Republic of the Marshall Islands were using skills and tools developed from investigations training in the workplace. Prosecutors in those locations stated that briefs submitted with an evidence matrix and resource spreadsheet (training resources) were of a higher quality than briefs in the past and provided a much clearer overview of each case.
- ▶ The Tonga Police Development Program demonstrated that Tonga Police are increasingly adhering to ethical standards and reporting inappropriate behaviour to their professional standards unit. Reports to the unit have nearly doubled since officers completed Accountability, Authority and Responsibility training. These reports are also being actioned appropriately, demonstrating that misconduct and corruption are being taken seriously by the Tonga Police.
- ▶ The Samoa–Australia Policing Partnership (SAPP) assisted the Samoa Police Service (SPS) to prepare for the Pacific Islands Forum, particularly strengthening protection capabilities. A number of SPS officers performed exceptionally well during Pacific Islands Forum and, in turn, assisted AFP trainers to deliver protection training in Vanuatu in the lead-up to the Pacific Mini-Games.
- ▶ As a result of efforts to promote women’s participation, the Vanuatu–Australia Policing and Justice Program demonstrated increased sensitisation to and acceptance of the role of women in the Vanuatu Police Force (VPF). This is evidenced in the VPF Commissioner’s keenness to ensure transparent processes for new promotions, which will support opportunities for women. During his keynote speech at an SPS Women’s Advisory Network function, the VPF Commissioner reinforced the role and importance of women’s professional participation. This was reflected on favourably in comments by both the Australian and New Zealand High Commissioners to Vanuatu.
- ▶ The SAPP also supported the SPS to improve their gender strategy, including their outlook on opportunities for women in the organisation. The SPS Women’s Advisory Network reported that SPS women officers are reporting greater opportunities across a number of operational roles (including maritime and protection). Notably, SAPP has supported a number of initiatives targeting increased women’s participation in these operational roles.
- ▶ Several AFP missions highlighted sustainability challenges and approaches for addressing them. However, some missions can improve how they identify and adequately manage sustainability risks, including through consistently advocating for and promoting partner police ownership of AFP supported initiatives.

Formal evaluation programs

Papua New Guinea–Australia Policing Partnership internal evaluation

Following the 2015 mid-term review, the Papua New Guinea–Australia Policing Partnership (PNG–APP) has remained adaptive to the changing needs and requests of the Papua New Guinean and Australian Government’s priorities and has made progress with most of the 2015 mid-term review recommendations. This includes the extension of the program until December 2018.

The internal evaluation of the PNG–APP has found that PNG–APP assistance has been well received and has contributed to improved custody management practices and public financial management functions of the Royal Papua New Guinea Constabulary.

Timor-Leste Police Development Program internal evaluation

The internal evaluation found that the current 2014–2018 phase of the Timor-Leste Police Development Program (TLPDP) has effectively supported several key aspects of development of the Policia Nacional de Timor-Leste (PNTL). Notably, the capability and sustainability of the PNTL training system continues to develop with AFP support, as does the investigative capability of the police and their relationship with the Office of the Prosecutor General.

TLPDP has successfully supported a significant improvement in PNTL governance and accountability, both in terms of organisational planning and government audit oversight. However, this area needs continued support if it is to be a sustainable system of improved governance for police behaviour and operations. Finally, the support of TLPDP has continued to develop the gender equality of the PNTL internally and in terms of their policing work.

Regional Assistance Mission to Solomon Islands legacy research

This year, an independent research study on the Regional Assistance Mission to Solomon Islands (RAMSI) Legacy to Pacific policing work was completed by the Australian National University and supported by the AFP. The research report largely supported the assessment made in previous AFP annual reports, and acknowledged that RAMSI contributed to restoring law and order to Solomon Islands and had resulted in positive impacts on policing throughout the region. Post-RAMSI follow-up is needed to sustain gains within Solomon Islands and throughout the region.

Performance of protection

3.1 Number of avoidable incidents ²⁰				
Source of criterion	PBS 2017–18		Program 1.1, page 99	
	Corporate Plan 2017–18		Page 27	
Result	2016–17	2017–18	Target	Achieved
		1	0	<4 incidents

A key objective of the AFP's protection effort is to keep individuals and interests identified as being at-risk safe from acts of terrorism, violent protest and issue-motivated violence. Protection is provided within Australia and overseas to the Governor General, the Prime Minister, other ministers and designated diplomats and foreign officials.

Achievement of this effort is shown by counting the number of avoidable incidents²¹ that occurred in the reporting period. No two incidents are alike, and additional interpretation of the impact of each avoidable incident is necessary to assess overall performance for this criterion.

There were no avoidable incidents recorded in 2017–18, compared with one in 2016–17 and one in 2014–15. This continues the AFP's strong record for delivering protective security services in a range of settings. Previous incidents included a confrontation with protestors and a small vehicle accident; no harm occurred to individuals.

3.2 Convictions				
Source of criterion	PBS 2017–18		Program 1.1, page 99	
	Corporate Plan 2017–18		Page 23	
Result	2016–17	2017–18	Target	Achieved
		95%	100%	90%

Successful prosecutions of individuals who have committed Commonwealth crimes have a direct impact on that activity and an indirect general deterrence. The AFP measures the success of prosecutions through a conviction rate, which is the proportion of cases the AFP has before court that result in a conviction.²²

This year the conviction rate of 100 per cent was achieved for Protection operations, based on 18 cases with a finalised court outcome in 2017–18. Investigations ranged across protection-related Commonwealth offences but were primarily offences against Commonwealth officials and detention centre incidents. The average run time for these cases is 1.5 years, with several spanning more than three years.

²⁰ Previously KPI 6—Number of avoidable incidents per 5,000 protection hours. The criterion was simplified to a count in 2017–18 because the number of incidents is historically very low and the ratio was not very informative.

²¹ Avoidable Incidents are defined as those incidents that could have been avoided through physical action, intervention or reasonable intelligence and that result in death, injury, loss of dignity or embarrassment to individuals and interests identified by the Australian Government or the AFP as being at risk.

²² Conviction denotes cases with at least one defendant convicted or where the case is proven with no conviction recorded.

3.3 Prevention				
Source of criterion	PBS 2017–18			Program 1.1, page 99
	Corporate Plan 2017–18			Page 24
Result	2016–17	2017–18	Target	Achieved
		–	See text below	Successfully targeted crime prevention

Prevention was formally introduced into the AFP performance framework as a new performance criterion in 2017–18. This measure addresses alternative strategies and operational tactics to prevent the occurrence of crime. In 2017–18, Protection operations reduced harm to individuals and establishments through a range of prevention activities, including diversion, environment hardening and education and training.

Educating others on security

In addition to traditional law enforcement the AFP reduces the risk of harm to Australians through targeted diplomatic and protection activities.

We cooperate with Commonwealth and state/territory agencies as part of a whole-of-government approach to Australia’s responsibilities under the Vienna Convention on diplomatic relations to provide protection from threats to the diplomatic community in Australia. Threats may include harassing or abusive telephone calls, e-mails, letters, criminal acts (including white powder incidents) or disturbed individuals. To reduce the risk of harm we conduct security briefings with diplomatic missions to ensure staff are well acquainted with the procedures, protocols and law enforcement response. We also provide diplomatic missions with an overview of the security/threat environment in Australia pertaining to their mission.

We are responsible for the investigation of all incidents (threats, harassment and offensive communication) directed at Australian Parliament House and Australian high office holders. We engage with the staff of Australian high office holders both proactively and in response to reported incidents. AFP protection liaison officers ensure the employees of Australian high office holders know the procedures, protocols and law enforcement responses available for the security incidents.

During 2017–18, the AFP attended 182 incidents at Parliament House and provided 226 security briefings, either in response to an incident or through proactive educational training with the diplomatic community in Australia or with Australian high office holders and their staff.

Preventing fixated individuals from causing harm

The AFP reduces the risk of harm from fixated individuals (those with an obsessive preoccupation pursued to an excessive or irrational degree) who seek to target protected establishments, Australian high office holders, internationally protected persons and Commonwealth public officials who fall under the AFP Protection remit. This is achieved by implementing a joint policing and health approach to risk assessment and management.

Not all fixations are threatening, but mental health issues feature heavily in fixated behaviour. We identify, assess and mitigate threats posed by fixated individuals and attempt to assist those with mental illness, who may have otherwise gone untreated, before they reach crisis point and commit offences.

This year we received 211 referrals of fixated individuals. Many of these individuals had not previously come to the attention of law enforcement or health services. Unless the AFP is aware of and assesses these individuals, they may be criminally charged with stalking, harassment or violence offences without the potential underlying cause of their behaviour being addressed. The following interventions reduced the level of risk to the community, protected entities and the individuals themselves:

- ▶ 94 cases of police liaison in the form of welfare checks by state police for the referred individual, engagement with the individual by the AFP or advice to the referrer
- ▶ 46 cases referred to community mental health services for further assessment and treatment
- ▶ 28 cases resulting in admission of the individual to a psychiatric inpatient unit
- ▶ 43 cases managed by other means, including home or phone-based assessments or referrals to other services and supports, including general practitioners, private mental health practitioners or government agencies.

In October 2017, the Council of Australian Governments agreed to a four phase national approach to ensure Commonwealth and state and territory agencies appropriately and consistently assess and manage people who have fixations or pose a threat of grievance-fuelled violence. The AFP is contributing to this national initiative via the Department of Home Affairs Mental Health Lone Actor Working Group.

Benefits of visible policing

Visible policing activities make environments safer. Activities include highly visible security patrols and the use of technology such as remotely controlled aircraft to provide intelligence and situational awareness of possible threats.

During 2017–18, 149 applications were received from members of the public to use the Parliamentary Precinct Authorised Assembly Area for issue-motivated activities or protests. Lawful protest is important, but if it is uncontrolled it can result in a range of offences—for example, breach of peace, trespass, damage to property or public disorder. The AFP uses targeted and high-visibility patrols to:

- ▶ reduce the opportunities for interruptions to the workings of parliament by protestors while still providing a safe environment for members of the public to use the assembly areas
 - ▶ provide security for events such as the 30th anniversary of the opening of Australian Parliament House
 - ▶ prevent attacks on AFP or civilian personnel around a nominated AFP site.
- No incidents occurred in 2017–18.

3.4 Response to aviation incidents within priority time frames ²³				
Source of criterion	PBS 2017–18			Program 1.1, page 99
	Corporate Plan 2017–18			Page 27
Result	2016–17	2017–18	Target	Achieved
	Priority 1—94%	Priority 1—92%	Priority 1—90%	Yes
	Priority 2—92%	Priority 2—93%	Priority 2—90%	Yes
	Priority 3—100%	Priority 3—100%	Priority 3—90%	Yes
	Priority 4—100%	Priority 4—100%	Priority 4—90%	Yes

This performance criterion provides a combined assessment of police response within time frames at designated Australian airports where there is an AFP presence: Adelaide, Brisbane, Cairns, Canberra, Darwin, Gold Coast (Coolangatta), Melbourne, Perth and Sydney. Response times vary depending on the priority level²⁴ of the incident and may range from life threatening to no immediate danger.

In 2017–18, the AFP met the target for all four priority levels. Figure 3.9 shows that the results are similar to last year, except for a 2 per cent drop in the Priority 1 incident response rate.

²³ Previously KPI 5—Response to aviation law enforcement and/or security incidents within priority response times.

²⁴ Priority definitions:

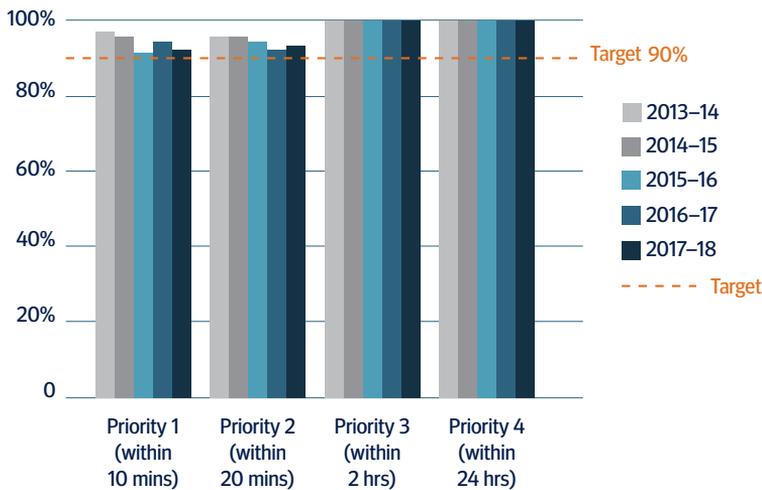
1. Life-threatening or time-critical situation; attended no later than 10 minutes from the initial contact by the complainant.
2. Situation requiring immediate AFP attendance; however, not life threatening; attended no later than 20 minutes from the initial contact by the complainant.
3. No immediate danger to safety or property but where AFP response or attention is required: attended no later than 120 minutes from the initial contact by the complainant.
4. No immediate danger to safety or property but where police response or attention is required: attended no later than 24 hours from the initial contact by the complainant.

This year, the AFP attended nearly 600 Priority 1 incidents. Three airports did not meet response time targets for Priority 1 incidents—AFP police in Darwin attended, on time, 75 per cent of its four incidents, Melbourne attended 88 per cent on time and Perth attended 89 per cent on time. In addition, the AFP attended:

- ▶ over 10,300 Priority 2 incidents across all airports; response time targets were met for all airports except Melbourne which was 2 per cent below the target rate of 90 per cent
- ▶ approximately 2,500 Priority 3 incidents; all airports met the response time targets
- ▶ over 17,800 Priority 4 incidents; all airports met the response time targets.

Many factors contributed to the Priority 1 and Priority 2 response times being marginally under target at Melbourne Airport. These include the continued growth in airport passenger movements; the physical spread of the terminals within Melbourne Airport; and the competing response priorities of uniformed policing staff.

Figure 3.9: Proportion of aviation incidents responded to on-time between 2013-14 and 2017-18



3.5 Stakeholder satisfaction

Source of criterion	PBS 2017-18			
	Program 1.1, page 99			Page 24
Result	Corporate Plan 2017-18			
	2016-17	2017-18	Target	Achieved
	92%	94%	85%	Yes

This year approximately 48 respondents (response rate 42 per cent) nominated Protection as the area they dealt with most in our online stakeholder satisfaction survey in March 2018. Figure 3.10 shows the level of satisfaction for Protection is 94 per cent against a target of 85 per cent. No respondents were dissatisfied. This great result continues the ongoing improvement in satisfaction with Protection.

High satisfaction with Protection was evidenced by respondents noting the professionalism of AFP officers in particular, their integrity and commitment and efficiency of work practices. Areas for improvement to increase the already great result include being proactive and making more frequent contacts with stakeholders to ensure efficient sharing of information.

Figure 3.10: Proportion of stakeholders satisfied with AFP Protection activities



The AFP has always been very responsive to our needs. We feel they demonstrate this on a daily basis, not just in words but in deeds.

— Survey respondent, 2018

Performance of community policing

The AFP has responsibility for providing community policing in Australia’s external territories, including Norfolk Island, Cocos Keeling Islands and Christmas Island. We also provide a community policing service in accordance with the Policing Arrangement between the Commonwealth and the Australian Capital Territory (ACT) Government.

4.1 Mission and external territories performance ²⁵				
Source of criterion	PBS 2017-18		Program 1.2, page 100	
	Corporate Plan 2017-18		Page 21 and 26	
Result	2016-17	2017-18	Target	Achieved
		–	Not applicable	Successful evaluations

The performance of AFP activities in external territories may be assessed by strategic, thematic and program evaluations. No evaluations were conducted in 2017-18 and none are planned for 2018-19.

25 Previously KPI 11—Mission/external territories performance evaluation.

Overall analysis

The AFP contributed significantly towards the purpose of protecting Australia and Australian interests in 2017–18 by undertaking a range of law enforcement and national security activities in Australia and overseas. This continues the AFP's positive pattern of achievement demonstrated over the last eight years. Positive areas of performance for 2017–18 include:

- ▶ **Delivering public value:** The AFP delivers a return on investment (ROI) of \$16.00 for every dollar invested in combating transnational crime based on investigations finalised²⁶ this year; \$3.90 for every dollar invested in confiscating assets that were forfeited this year; and \$32.40 for every dollar invested in the seizure of drugs through our international operations this year.
- ▶ **Successful prosecutions:** Of the AFP investigations that went before court this year, 98 per cent resulted in at least one conviction. Offenders convicted this year were sentenced to serve in total nearly 2000 years in gaol; individual sentences ranged from one month to 23 years for drug offences.
- ▶ **Reducing crime through disruption:** The 206 AFP disruptions were instrumental in inhibiting the business of criminal entities and complemented work bringing major international syndicates to justice. Disruptions contribute operational and community value by providing police with more ways, in more circumstances, to curb crime and reduce harm than if only a single prosecution path is adopted. This year the AFP and our partners together hindered and reduced offending by individuals involved in transnational and serious organised crime with corresponding benefits for the community. Benefits are multiplied when seizures of illicit drugs and child exploitation material or proceeds of crime actions are involved in a disruption, as losing an illicit product to invest or trade stops additional downstream harm from occurring.
- ▶ **Reducing crime through prevention:** Case studies show the multi-pronged approaches used by the AFP and partners to address the diverse vulnerabilities causing crime in the federal sphere. Prevention approaches ranged from training and education to diversion, policing patrols and notification schemes for registered sex offenders. Work to prevent harm from occurring has immediate returns for the community—it reduces the personal costs and losses for victims and their families and associated social costs from those injuries. It also reduces the wider social costs of investigation, prosecution and corrective services that are triggered once a crime is identified and punished.
- ▶ **Timely response to aviation incidents:** On average, AFP aviation teams responded on time to over 30,000 incidents at Australian airports. Six of the nine airports met the response time targets for all four priority levels.
- ▶ **Professional and responsive working relationships with stakeholders:** Positive partnerships are a key enabler of our success in all that we do. The results of the satisfaction survey show that our partners and stakeholders continue to be satisfied with working with the AFP; satisfaction has been around 90 per cent for the last seven years. Areas of strongest positive performance are communication between the AFP and the stakeholder, the collaborative nature of relationships and the professionalism of AFP officers.

²⁶ ROI for transnational crime is based on cases that started on average three years ago but as long as 10 years ago. Therefore, this performance criterion has a time lag and is not solely reflective of performance in the current year.

Increasing knowledge of the AFP's contributions was highlighted as an area of focus for us, based on results of the new AFP Community Confidence Survey. This survey was introduced into our performance framework this year. The result (62 per cent with high confidence) provides a good benchmark for future surveys. The survey identifies specific areas in which we can improve, particularly how we communicate our role to the community. Although it does not meet the pre-set target, the result does demonstrate confidence in the AFP's contribution to national security and law enforcement. The survey reveals that media coverage, particularly around large drug seizures, terror threats and border security, was the principal driver of community confidence.

Overall, the AFP performed well in terms of positive operational results and positive national and international partnerships. Much of our performance shown this year is not only based on investigations finalised within the reporting period but is also a result of work started three to 10 years ago. Additionally, investigations are becoming more complex and taking longer to complete. There is therefore no guarantee that performance levels will remain this high in future years. The following factors challenge our ability to sustain high operational performance:

- ▶ *Dynamic and increased demand for AFP services:* The AFP has a broad menu of work and evolving priorities. Demand for our services is forecast to grow in volume of referrals across most crime types—for example, victim-based crime—has increased 200 per cent since 2014. In some crime types—for example, counter-terrorism—there is post-conviction work for the AFP, which is new. There is also a need to respond more often to major operations, such as Operation Veyda, and unforeseen events, such as the MH17 investigation, which create large surges in resource use.
- ▶ *Resources and ways of working:* There will always be more crime than the AFP is able to combat within available resources, and we will always need to harness our capability in the best possible way to have the most impact on the criminal environment. This means ensuring the AFP focuses on the things we are uniquely placed to deliver. To be ready for the future, we will increase our focus on development of capabilities; on remaining world leaders in key areas of technology and innovation; on partnerships within the Home Affairs portfolio and across state, Commonwealth and international governments; and on using a flexible workforce model to move and task to high priority operations as needed.
- ▶ *Increased complexity of work:* The operating environment is increasingly sophisticated and there is a growing need for more specialists in science and technology to remain up-to-date with technical advancements exploited by criminals. Around 90 per cent of AFP investigations now require technical expertise and some AFP operations examine more than eight terabytes of data. This trend is expected to continue.

To ensure high performance can be delivered year on year, the AFP is intent on balancing positive operational outcomes with workforce health and ongoing refinement of its effective and responsive resource management capacity. Activities to address these challenges are included in the 2018–19 AFP Corporate Plan²⁷.

27 AFP Corporate Plan 2018–19, www.afp.gov.au/corporateplan

Results summary: Outcome 2

ACT Community Policing				
Source of criterion	PBS 2017–18		Outcome 2 - Program 2.1, page 102	
	Corporate Plan 2017–18		Page 21 ACT Policing Purchasing Agreement	
Result	2016–17	2017–18	Target	Achieved
	See ACT Policing Annual Report ²⁸			

The AFP has responsibility for providing policing services in the ACT. The Policing Arrangement is set out in the ACT Purchase Agreement, which defines the outcomes, outputs, performance measures, targets and facilities to be provided. The three main outcomes defined against ACT Policing's performance are:

- ▶ reduce crime
- ▶ public safety
- ▶ community and partner engagement.

The Purchase Agreement specifies the type, level and cost of the services that the ACT Government requires from ACT Policing on an annual basis. In addition, the Minister for Police and Emergency Services issues a Ministerial Direction in which the special areas of focus for the year are outlined.

Information on ACT Policing, including performance against its targets, can be found in the ACT Policing Annual Report, available at www.police.act.gov.au/about-us/publications.

Financial performance

The AFP's \$1,301 million departmental operating income for 2017–18 comprised of \$1,016 million in government appropriation, \$166 million from the ACT Government for policing services and \$119 million in other revenue. In addition, the AFP received \$70 million in government appropriations for departmental capital expenditure and \$75 million in equity injections for specific initiatives. The AFP also administered \$16 million in expenses on behalf of the government in 2017–18.

The result for 2017–18 reported by the AFP is a departmental comprehensive loss of \$129 million. Excluding the impact of unfunded depreciation expense of \$84 million, the AFP recorded a deficit for the year of \$45 million.

The deficit result was due to higher operational costs in response to a heightened threat and response level and higher investigative activity, together with implementing reforms and remediation of technology and infrastructure, additional staff on-costs in relation to superannuation and a technical accounting adjustment to the recognition of appropriation.

Audited financial statements showing the AFP's financial position are in Chapter 6. The agency resource statement is in Appendix D.

²⁸ www.police.act.gov.au/about-us



4 Performance details



Performance details

Overview	66
Reform, Culture and Standards	68
Counter Terrorism	72
Protection Operations	76
Organised Crime	80
Crime Operations	86
International Operations	90
Technology and Innovation	94
Specialist Operations	100
Support Capability	106
Workforce and Development	108
People, Safety and Security	114
Chief Financial Officer	117

Overview

The AFP's organisational structure (see chapter 2) is broadly categorised into the areas of Operations, Capability and Capacity, which drive strategic initiatives and activities as described in the AFP Corporate Plan 2017–18. The organisational structure also includes business areas that report directly to the Commissioner to support strategic priorities such as future-ready, cultural reform, professional standards, policy development, ministerial liaison, media and communications.

Operations delivers the AFP's investigations and policing services in areas such as protection, counter-terrorism, aviation, illicit drugs, people smuggling, human trafficking, forced marriage, kidnap for ransom, fraud, money laundering and cybercrime. This function directly targets the substantial threats arising from increasingly diverse criminal activity.

Capability delivers technical, specialist and scientific services in support of enterprise and operational activity. These services are increasingly critical to the effectiveness and efficiency of all AFP operations and span surveillance, covert operations, technical services, forensics, digital forensics, tactical operations, intelligence, and information and communications technology.

Capacity ensures the AFP has the financial and human resources to respond to current and emerging requirements and is particularly focused on creating an agile, diverse and inclusive workforce.

This chapter documents the performance of these pillars of the AFP during the reporting period.

Pillar	Head	Function
Enterprise	Commissioner	Chief of Staff
		Reform, Culture and Standards
Operations	Deputy Commissioner National Security	Counter Terrorism
	Deputy Commissioner Operations	Protection Operations
		Organised Crime
		Crime Operations
Capability	Deputy Commissioner Capability	International Operations
		Technology and Innovation
		Specialist Operations
Capacity	Chief Operating Officer	Support Capability
		Workforce and Development
		People, Safety and Security
		Chief Financial Officer
		Chief Counsel



Reform, Culture and Standards

Purpose

Reform, Culture and Standards was established in August 2016 in response to Cultural Change: Gender Diversity and Inclusion in the Australian Federal Police (the Cultural Change report). It is leading our strategic projects to build an ethical and values-driven culture in the AFP that embraces diversity, inclusion and mutual respect, and to strengthen and maintain the professional standards of the AFP.

Overview

Reform, Culture and Standards is responsible for overseeing the implementation of the 24 recommendations of the Cultural Change report and supporting our Integrity Framework through the Professional Standards unit.

Significant achievements

Reconciliation Action Plan

The AFP launched its *Innovate Reconciliation Action Plan (RAP) 2018–2020* on 30 May 2018 during National Reconciliation Week. The RAP complements our *Cultural Reform–Diversity and Inclusion Strategy 2016–2026*, which commits the AFP to increasing our Aboriginal and Torres Strait Islander workforce to 2.5 per cent by the end of 2018.

Developed in consultation with the AFP's Malunggang Indigenous Officers Network (MION), the RAP reflects our vision to recognise and respect Aboriginal and Torres Strait Islander Australians and the role they play in the AFP.



Left: MION's Indigenous Champion Assistant Commissioner Scott Lee, at the launch of the AFP's Reconciliation Action Plan in May 2018.



Right: Wiradju Echoes' Duncan Smith performs at the AFP's 2018 National Reconciliation Week event.



Professional Standards Panel

In March 2018, the Commissioner established the Professional Standards Panel, replacing the previous adjudication process, to increase the focus of the AFP Executive on integrity matters and improve the consistency of sanction decisions. The panel comprises four Senior Executive members, together with the Manager Professional Standards. The Chief Counsel provides legal advice to the panel as required. It meets once a fortnight to provide advice to the panel delegate (the chair of the panel) on sanction recommendations for Category 3 conduct and corruption issues as defined by section 4oRP of the AFP Act.

Family and Domestic Violence Strategy

On White Ribbon Day 2017 (24 November), AFP Commissioner Andrew Colvin formally launched the *AFP Family and Domestic Violence Strategy*. The strategy outlines our approach to addressing family and domestic violence, along with new support measures and reporting requirements for all AFP members.

Three principles underpin the strategy:

- ▶ Family and domestic violence is never okay
- ▶ Workplaces can make a difference
- ▶ The AFP will listen, support and act.

The release of the strategy is a further step towards building an ethical, values-driven culture that embraces diversity, inclusion and mutual respect.



Staying in Touch Program

The AFP Staying in Touch Program, launched on 19 December 2017, is one of many initiatives arising from the recommendations of the Cultural Change report.

The rationale for this initiative is that all employees should have the opportunity to remain connected with the workplace during extended time away from the AFP on leave or secondment. It provides a framework to help supervisors and employees establish and maintain this connection, supported by practical strategies and information on how to stay engaged.



staying in touch

Operation Murray—illegal release of police information

On 22 November 2017, a 46-year-old AFP officer was sentenced to 22 months imprisonment, to be released after 11 months.

A joint investigation task force established by the Australian Commission for Law Enforcement Integrity (ACLEI) and the AFP Professional Standards unit revealed that the officer had deliberately provided police information to a person associated with a criminal syndicate suspected of being involved in importing border-controlled drugs.

On 16 January 2014, an associate of the man suspected of being part of the criminal syndicate contacted the AFP officer and conveyed interest in obtaining information.

The Professional Standards unit detected that the officer had searched an AFP database and released that information to the associate, for which he received approximately \$7,000 in cash. The officer did not report that he had released the information or received the cash.

In the District Court of New South Wales, the officer pleaded guilty to dishonestly receiving a benefit which would tend to influence a Commonwealth public official in the exercise of their duties, contrary to section 142.1(3) of the *Criminal Code Act 1995* (Cth) (Criminal Code Act). The maximum penalty for the offence is imprisonment for five years.

The officer also admitted to providing internal AFP training manuals on an earlier occasion to a former colleague who intended to use the information to train prison guards in an overseas jurisdiction. This offence was taken into account by the court at the time of sentencing.

AFP members are expected to uphold the core values, reputation and integrity of the AFP at all times. They are trusted to hold sensitive information, and the public expects that police information is never leaked to outside sources or to those who do not have a need to know.



Safe Place—addressing workplace harassment

The Safe Place team supports current and former AFP staff who are experiencing, have experienced or are aware of sexual assault, sexual harassment or serious bullying and harassment in or connected to the workplace.

One of the cases brought to Safe Place in 2017–18 was that of a staff member who had experienced sexualised comments from a team leader over a period of time and came to Safe Place seeking advice. With the member's consent, Safe Place engaged with the workplace to explore resolution options. The workplace supported the member and addressed the behaviour of the team leader, who is subject to ongoing intervention and monitoring. As a result, the team leader issued an apology to the member for their behaviour. Notably, the team leader indicated that they had more respect for the member for their courage in 'standing up'.

Those involved noted that their experience with Safe Place was positive and had given them a better understanding of options for addressing similar issues in future. The member experiencing the behaviour was happy with the outcome.



Counter Terrorism

Purpose

The role of the AFP's Counter Terrorism group is to prevent, disrupt and investigate terrorist activity against Australians and Australian interests, domestically and internationally. It conducts counter-terrorism investigations collaboratively with Australian state and territory police services, the intelligence community and international law enforcement partners.

Overview

The AFP focuses its efforts on prevention and response capabilities to mitigate the threat posed by the increasing number of Australians who provide support to terrorist groups or travel overseas to participate in training or to fight in conflict zones.

Since 12 September 2014, when the national terrorism threat level was raised to probable, 89 people have been charged as a result of 39 counter-terrorism-related operations around Australia. Of these, 53 have been convicted of terrorism-related offences, including 16 people in 2017–18.

Significant achievements

Operation Peqin—unprecedented counter-terrorism prosecution

Operation Peqin was a New South Wales JCTT investigation into the activities of several people alleged to be involved in the shooting of New South Wales Police Force employee Mr Curtis Cheng on 2 October 2015.

One man admitted to obtaining a handgun and giving it to a 15-year-old male at the Parramatta Mosque. In May 2017, this man pleaded guilty to 'aiding, abetting, counselling or procuring the commission of an offence by another person, namely the engagement in a terrorist act'. In March 2018, he was sentenced to 44 years imprisonment.

In October 2017, a second man pleaded guilty to a number of offences relating to possession and supply of a pistol connected with a terrorist act. In May 2018, this man was sentenced to 17 years and eight months imprisonment.

International engagement

AFP counter-terrorism liaison officers continued to provide instrumental support to operations and facilitate information and intelligence sharing with our Five Eye partners (the UK, the US, Canada and New Zealand). To further domestic capacity-building programs and regional cooperation among our South-East Asian partners, we co-hosted a Counter Terrorism Leaders Forum in late 2017 with the Indonesian National Police.

Counter-terrorism representatives from Indonesia, the Philippines, Malaysia and Thailand attended the forum and discussed the challenges terrorism is presenting in their countries. A strong theme was the importance of working together to combat terrorism across the region. Discussion included issues associated with returned foreign fighters and deportees, the role of women in the terrorism landscape, and the impact of the Philippines Marawi crisis on South-East Asia.

Community Liaison Teams

The AFP's Community Liaison Teams (CLTs) continued to strengthen their relationships with key community groups and build new networks across all Australian communities. CLT activities are diverse and this year included:

- ▶ hosting multi-faith events in Melbourne, Sydney and Perth bringing together representatives and leaders from the diverse communities, state and federal government, the consular community and several universities. These provide an opportunity to further build trust and reinforce the close relationships established between the AFP and the wider community groups in those locations
- ▶ engagement activities in the Northern Territory with the Darwin and Palmerston Muslim communities, with discussions on topics including mosque open days, radicalisation, community projects and relationships with media.

The work of the AFP's CLTs has been recognised with the awarding of the Australian Police Medal to the Team Leader of the CLT in Sydney. One member of the CLT in Melbourne has been nominated as a finalist in the Most Outstanding Female Practitioner category at the 2018 Australasian Women in Policing Awards.



Left: Sheikh Hisham Obeid, Islamic Council WA speaking to Western Australia Commander Greg Harrigan.

Right: The Unity Cup women's competition champions.

Operation Silves— terrorist threat to aviation security

One of the most significant operations of 2017–18 was Operation Silves. In July 2017, the New South Wales JCTT undertook an investigation in Sydney relating to an attempted terrorist attack involving a plot to conceal an explosive device on an Australian commercial aircraft. Two people were subsequently charged with serious offences that carry a maximum penalty of life imprisonment.

The New South Wales JCTT comprises the AFP, the New South Wales Police Force, the Australian Security Intelligence Organisation and the New South Wales Crime Commission. The investigation also involved the Australian Border Force and foreign law enforcement partners. Within the AFP, it relied on support from sworn officers and professional staff members from across the organisation, including Counter Terrorism, Protection Operations, International Operations and Specialist Operations.

Operation Silves demonstrated that our aviation sector remains at risk. Terrorist and criminal groups will continue to test aviation security, seeking new ways to undermine and defeat security capabilities and efforts. The attempted deployment of an improvised explosive device on a commercial aircraft represented a new risk threshold for aviation security.

In response, the AFP has put additional security measures in place at all major Australian airports, involving significant resource commitments. In the 2018–19 budget, the Australian Government announced \$107 million in funding over four years to increase the AFP's counter-terrorism first response capability at Australia's highest risk airports, establish aviation protection assessment teams to provide tactical intelligence capability, and increase capability to detect explosives and other emerging threats.



Protection Operations

Purpose

The purpose of Protection Operations is to ensure the safety of people and interests from acts of terrorism, crime and issue-motivated violence.

Overview

The AFP is the Commonwealth's lead agency in delivering protective security, both nationally and internationally.

Protection Operations incorporates our Protection and Aviation functions, operating under a single chain of command to protect Australia's national security interests.

We take an intelligence-informed and risk-analysis based approach, collecting information and sharing information and operations with Commonwealth, national, international and private partner organisations. Between 1 July 2017 and 30 June 2018, the Protection Assessment Team completed 19,217 activity-based assessments for Australian high office holders. In the same period, Protection Liaison Parliament House received 181 referrals in relation to alleged offences against section 474.17 of the Criminal Code Act, 'using a carriage service to menace, harass or cause offence'. Between 1 July 2017 and 30 June 2018, Close Protection deployed 1,320 officers to 542 events in Australia.

Significant achievements

Safeguarding air travellers

The AFP's aviation security strategy focuses on prevention, deterrence, intelligence, response and investigation operations at Australian security-designated airports.

Between 1 July 2017 and 4 June 2018, security officers at Australia's major airports seized 712 knives and 10 other edged weapons including an axe, swords and credit card knives. This high volume of seizures shows that basic weapons such as knives continue to pose a risk at airports.

50 years at Pine Gap

For more than 50 years the Australian Government has provided security and policing—initially by the Commonwealth Police Force and now by the AFP—at the Joint Defence Facility Pine Gap (JDFPG) near Alice Springs.

JDFPG, established by a treaty with the United States in December 1966, is a significant asset that contributes to the national security of both Australia and the United States.

The facility has had an internationally high profile for many years, due to media reporting of protests, incursions and court appearances, and online activity by protesters. AFP protective service officers are critical to ensuring the security of JDFPG, preserving the integrity of the site and protecting its personnel.

AFP members at JDFPG have developed excellent relationships with partner agencies at the site and across the Northern Territory, including the Northern Territory Police and the Australian Department of Defence.

VIP visits to Australia

Between 1 July 2017 and 30 June 2018, the Close Protection operations team coordinated security responses to support 293 foreign visits to Australia on behalf of the government.

In April 2018, the AFP led the coordination of Australian Government protective security arrangements for an official visit by Their Royal Highnesses The Prince of Wales and The Duchess of Cornwall.

The royal visitors were officially welcomed by the Governor-General in Brisbane before heading to the Gold Coast, where the Prince of Wales officially opened the Commonwealth Games and delivered the Queen's address. They attended a number of official and private events, focusing on the Commonwealth Games, Indigenous culture and development issues, environmental and social issues and the military.

The visit involved a significant amount of stakeholder engagement due to its high profile and complexity. We worked with agencies including the New South Wales Police Force, the Queensland Police Service, the Northern Territory Police, the Department of the Prime Minister and Cabinet, the National Threat Assessment Centre and the Department of Home Affairs to ensure that security was commensurate with threat assessments and the importance of the visit.

This experience highlighted opportunities for us to further develop whole-of-government procedures for high-level foreign visits and to strengthen relationships with partner agencies in Australia and abroad.

In August and September 2017, His Holiness Pope Tawadros II, Pope of the Coptic Orthodox Church of Alexandria, visited Australia at the time of a series of deadly attacks against Coptic churches in Egypt by Islamic State. The Australian Coptic community had significant safety concerns in the lead-up to the visit. The AFP applied significant Protection Liaison to managing those concerns and providing support in diplomatic circles and the community.



Their Royal Highnesses, The Prince of Wales and The Duchess of Cornwall arrive in Brisbane for the official opening of the Commonwealth Games.

Operation Alpen—Commonwealth Games

Operation Alpen was the AFP response to the Commonwealth Games held at the Gold Coast, Queensland, between 4 and 15 April 2018. The mission of this operation was to:

- ▶ contribute to the national security overlay for the conduct of the Commonwealth Games
- ▶ provide specialist operational capacity to enhance and assist with the provision of policing services to the Commonwealth Games by the Queensland Police Service.

The Special Events Planning Team coordinated our involvement in the event, working closely with the Commonwealth Games organising committee and the Queensland Police Service.

A number of APS protective service officers and federal agents were deployed to the vehicle search point at the Gold Coast. AFP Specialist Response Group members provided tactical response, maritime, and canine (handlers and dogs) assistance to the Queensland Police Service. AFP Intelligence conveyed a number of resources to Queensland from each major region of Australia. Our intelligence experts provided 24/7 support within a joint agency intelligence environment. The resulting shared intelligence enabled whole-of-government decision-making that upheld confidence in Australia's reputation as a safe and secure place.

The AFP built excellent working relationships with the Games organising committee, the Queensland Government and the Queensland Police Service. Our contribution to the successful planning and implementation of security for this high-profile event was recognised by an official note of thanks to the AFP Executive at the end of the Games.



Organised Crime

Purpose

The AFP works to disrupt, dismantle and combat complex and transnational organised crime affecting Australia and its interests.

Overview

This business area has two branches: Organised Crime; and Criminal Assets, Fraud and Anti-Corruption. Their efforts centre on serious and organised criminal activities concerning money laundering, illicit drugs, fraud against the Australian Government, bribery of foreign officials, and corruption in the Australian Public Service.

Key strategies include collaborating with national and international partners in:

- ▶ offshore disruptions to fight crime at the source before it affects Australia
- ▶ creating a hostile environment by target-hardening the environments that support and facilitate organised crime
- ▶ removing the proceeds and instruments of crime.

We participate in numerous Commonwealth multi-agency task forces, including the Criminal Assets Confiscation Taskforce, the National Anti-Gangs Squad, the Serious Financial Crimes Taskforce, the Fraud and Anti-Corruption Centre, and the Trade Union Taskforce.

Significant achievements

OECD Convention on Bribery

In 2017, the Organisation for Economic Cooperation and Development (OECD) Working Group on Bribery in International Business Transactions conducted their phase 4 evaluation of Australia's implementation of the OECD Convention on Bribery. It found that Australia's enforcement of foreign bribery offences had increased markedly since the phase 3 evaluations in 2013 and that the AFP had taken substantial steps to improve its framework for detecting and investigating foreign bribery.

Corruption threatens the integrity of markets, undermines fair competition, destroys public trust and undermines rule of law. The AFP is committed to combating this crime in all its forms.

Disrupting criminal communications

In March 2018, Australian law enforcement agencies worked with counterparts in the United States and Canada to dismantle a sophisticated criminal enterprise providing secure, encrypted communications for the organised crime market.

The Canadian-based firm Phantom Secure specifically designed devices for the organised crime market, allowing criminals around the globe to use unrestricted secure communications beyond the capability of law enforcement interception. It was the first encrypted communication platform available on a wholesale scale in Australia, and was the largest single supplier to the Australian organised crime market, exceeding 10,000 users.

In this landmark investigation five men, including the company's CEO, were indicted in the United States in connection with the operations of Phantom Secure. They were charged with knowingly participating in a criminal enterprise that facilitated the transnational importation and distribution of narcotics through the sale and service of encrypted communications. The impact of this operation on the global operations of Phantom Secure and on its infrastructure and client base in Australia was complete disruption.

Law enforcement agencies across multiple continents worked together to dismantle the network infrastructure of Phantom Secure, located in various offshore jurisdictions, disabling the encrypted platform and the thousands of secure devices used on it.

This is the first time Australian and US law enforcement has targeted a company and its principals for aiding and abetting criminal organisations by knowingly providing them with tools to 'go dark' and evade law enforcement and obstruct justice while committing crimes such as transnational drug trafficking.



Foreign bribery investigations

Operation Blare was an investigation into Australian construction company Lifese Pty Ltd and its directors for foreign bribery offences. The AFP detected a US\$1 million transfer to an intermediary in Iraq, intended as payment to a foreign public official in return for preferential treatment during a tender process. In 2015, three people were charged with conspiracy to bribe a foreign public official. In July 2017, all three pleaded guilty and were sentenced to four years imprisonment. The two company directors were fined \$250,000 each.

Operation Telchar began after a self-report by Sinclair Knight Merz Pty Ltd that the company, through its South-East Asian subsidiaries, had made illegitimate payments to foreign public officials in order to secure World Bank and Asian Development Bank financed loan projects in Vietnam and the Philippines. In June 2018, prosecution proceedings began against the company and six individuals for conspiracy to bribe foreign public officials. This case is an example of best practice corporate cooperation in addressing foreign bribery.

Operation Rune is an investigation of Australian companies Securrency and Note Printing Australia following a self-report alleging that a number of employees had paid bribes to secure banknote contracts overseas. In 2018, a former executive from Securrency was sentenced to three months imprisonment after pleading guilty to his involvement in dishonestly recording a payment of \$79,502 to hide a bribe. The prosecution of two other Securrency and four Note Printing Australia executives for foreign bribery offences is ongoing.



Operation Astatine—disrupting crime syndicates

Case Study

Operation Astatine investigated the criminal activities of a Sydney crime family, suspected of having been engaged in significant and ongoing high-level organised crime activities for over a decade. The family and associates had positioned themselves in a number of key industries, where they had corrupted trusted insiders, to facilitate the movement of illicit commodities into Australia.

This operation involved large-scale illegal drug and tobacco imports, and the criminal syndicate believed themselves beyond the reach of Australian law enforcement. Realising that action against one syndicate would tip off the other, the AFP received unprecedented cooperation from UAE authorities to collect evidence and take action against both at the same time.

This operation caused significant disruption to the upper echelons of Australian organised crime.

Operations Veyda, Okesi and Kerguelen (see chapter 3) also highlight the AFP's disruption of criminal syndicates both domestically and offshore.

Operation Elbrus

Case Study

Operation Elbrus, which began in 2016, is investigating a \$101 million tax fraud. The fraud was facilitated through the phoenixing of companies using shelf companies engaged by prominent legitimate Australian companies to orchestrate PAYG tax fraud against the Australian Government. In May 2017, the operation executed 34 search warrants on private residences and businesses across New South Wales in a coordinated action involving some 260 AFP officers. This resulted in:

- ▶ 10 people being arrested, including a senior member of the Australian Taxation Office
- ▶ seizure of over 1,000 items, including 200 electronic devices
- ▶ seizure of over 100 significantly large datasets
- ▶ acquisition of more than 250 hours of surveillance records
- ▶ seizure and restraint of assets worth approximately \$50 million.

Serious financial crime investigations like Operation Elbrus are complex and require significant resource commitment. Over the last financial year, Operation Elbrus has been staffed by 30 officers, including a permanent team of 20, to review evidence and create four prosecution briefs relating to 11 individuals, each of which required collation of well over 100,000 pages. The operation is ongoing.

Operation Ligar—record methamphetamine bust

In 2017–18, AFP-led Operation Ligar, a drug investigation in Western Australia, resulted in the biggest methamphetamine seizure in Australian history.

The operation began in July 2017 after a suspected marine vessel importation of border-controlled drugs into Geraldton, Western Australia. For the next six months, the Western Australian Joint Organised Crime Task Force investigation focused on Australian criminal groups in New South Wales and South Australia with links to an international outlaw motorcycle gang, as well as European organised crime syndicates. In total, police executed 23 search warrants across three Australian states.

In December 2017, police intercepted a fishing boat attempting a second importation into Geraldton and seized 1.2 tonnes of methamphetamine. The drugs originated from South-East Asia and were linked to a specific criminal group through a number of packaging traits that have become the hallmark of specific types of methamphetamine shipments. Preliminary evidence indicates that the methamphetamine seized came from a clandestine laboratory in Myanmar, which was located in February 2018.

Nine people, including the highest-level Australia-based syndicate members, were arrested in relation to Operation Ligar.

The success of this operation involved AFP members from across the organisation, including Organised Crime, International Operations, Specialist Operations and Intelligence. Timely intelligence was particularly crucial, as information gathered during this operation assisted the AFP in other work to combat illicit drug movements and serious transnational organised crime in Australia and offshore. Our offshore network has shared this information, allowing partner agencies overseas to disrupt related criminal activity across South-East Asia.

During Operation Ligar, AFP forensics specialists used a new sampling procedure for large illicit drug seizures. The new procedure has multiple benefits, including a significant reduction in workplace health and safety risks, a marked reduction in the time spent on individual tasks, and practical improvements with respect to storage and disposal of large quantities of illicit substances. It will reduce the examination period for large drug seizures from months to as little as four hours.



Crime Operations

Purpose

Crime Operations provides a law enforcement investigative response to a diverse range of complex and sensitive crimes.

Overview

In March 2018, we restructured our Crime Program to more effectively align crime types and ensure that resources are deployed effectively and consistently. The Crime Operations area was expanded to include Cybercrime Operations, alongside the previous core roles of National Response Operations and Victim Based Crime.

Cybercrime Operations coordinates and leads the investigation of serious and organised criminal cyber activity affecting critical infrastructure and systems of national significance. This includes information systems operated by government, major financial institutions and corporations.

National Response Operations provides a national response to a broad range of crime types, including sensitive investigations, crimes against humanity, offshore investigations involving Australians, environmental crime, telecommunications and postal crime, and family law. Victim Based Crime seeks to reduce the incidence and impact of crimes against people, including child exploitation, human trafficking and people smuggling. It conducts preventative outreach efforts to reduce the incidence of crime, including the ThinkUKnow online safety program, and is also responsible for the National Missing Persons Coordination Centre.

Significant achievements

Combating complex transnational crime

In 2017–18, Crime Operations progressed 276 cases to court, with a conviction rate of 96 per cent. In its efforts to combat complex transnational crime impacting Australia, the AFP seized over 17 tonnes of illicit drugs domestically (see Table E2, Appendix E).

Child protection assessments

The AFP leads a national response to crimes affecting vulnerable people in Australia and those exploited overseas. Our Child Protection Assessment Centre received 14,638 reports of child sexual exploitation during the reporting period. Each report may contain hundreds or thousands of images of children being abused. During 2017–18, we arrested and charged 58 offenders with 285 offences.



AFP member delivers a presentation on ThinkUKnow and cyber-bullying.



Operation Melville—wildlife smuggling

Operation Melville is a joint investigation conducted by AFP National Response Operations and the Department of the Environment and Energy into the international trafficking of wildlife. Wildlife crime is a significant and specialised area of transnational organised crime, driven by high demand and facilitated by a lack of effective law enforcement globally and its low prioritisation as a serious crime. It is highly lucrative, with global proceeds estimated to be between US\$7 billion and US\$23 billion annually.

The operation began in October 2016 with the interdiction of six packages bound for Sweden containing more than 40 native Australian lizards, and 16 packages inbound from Thailand containing more than 200 exotic animals and fish. The value of the animals and fish seized was estimated to exceed AU\$500,000.

A 28-year-old man was subsequently arrested and charged with wildlife and money laundering offences under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) and the Criminal Code Act. He entered guilty pleas in the New South Wales District Court and is due for sentencing in October 2018.

The investigation also resulted in the disruption of wildlife trafficking syndicates based in Sweden, the UK and Hong Kong which have been creating demand for Australian native animals.



Operation Melville successfully disrupted wildlife trafficking syndicates operating in Australia, Sweden, the United Kingdom and Hong Kong.



AFP and Department of Environment officers work together on a joint investigation into wildlife trafficking.

Operation Sampson—child exploitation

Between November 2015 and February 2016, victim identification experts from around the world worked together to identify a girl aged between three and five who was being sexually abused in a series of still images and videos. The INTERPOL Policing Specialist Group for Victim Identification referred to the series operationally as Magenta Heart. Material showing the abuse first came to the notice of the Royal Canadian Mounted Police Victim Identification Unit via a discussion board on the darknet. Subsequent analysis located the material in police seizures in the US and the UK.

In February 2016, a separate investigation by US law enforcement resulted in the arrest of a man in Seattle. Forensic analysis of the devices seized revealed Magenta Heart material being shared via the mobile platform KIK. The chat accompanying the material suggested that it was sent by the contact offender. The most recent account activity on KIK resolved to an IP address in South Australia.

On 27 February 2016, a 27-year-old South Australian man was arrested by South Australia Police after a referral by the South Australian Joint Agency Child Exploitation Team. Evidence of the abuse was found on his mobile phone. Enquiries were completed to ensure the welfare of the child victim, who was related to him. The man pleaded guilty to charges of persistent sexual exploitation of a child and aggravated possession and dissemination of child exploitation material. On 23 February 2017, he was sentenced to imprisonment for 11 years and three months, with a non-parole period of six years and six months.

In early 2016, South Australian Joint Agency Child Exploitation Team members assumed the man's online identities. Subsequent covert online investigations, known as Operation Sampson, on KIK revealed the man to be a member or administrator of 16 different groups of users sharing child exploitation material.

Operation Sampson was completed with the assistance of the United States Department of Homeland Security. It led to the identification of 63 suspects worldwide and a number of significant arrests overseas. In April 2017, a 30-year-old South Australian man was charged with dissemination and possession of child exploitation material. In January 2018, he pleaded guilty and was sentenced to four years imprisonment, with a non-parole period of two years.

At least 18 children—the actual number is believed to be much higher—have been removed from harm through this multinational investigation.

Operation Lumparn—cybercrime

Operation Lumparn is a joint AFP-led investigation in conjunction with the US FBI into the alleged unauthorised access and theft of data from a leading international technology company. The investigation began in December 2016, when the AFP was notified of suspected Australian links to the exfiltration of data from the company's network.

An extensive international investigation ensued, culminating in the execution of search warrants at a number of locations in Australia and the US.

A significant amount of electronic evidence was seized, including what police will allege is sensitive proprietary data and intellectual property belonging to the victim.

The investigation is among the largest and most complex cybercrime investigations ever undertaken by the AFP. It has required extensive operational and technical collaboration. An AFP team has been deployed to the US to work with the FBI and the victim to remediate ongoing threats to the compromised network.

The investigation is ongoing in relation to a number of Australian suspects and alleged breaches of Part 10.7 of the *Crimes Act 1914* (Cth) relating to unauthorised modification of data to cause impairment, unauthorised modification of restricted data, and possessing data with intent to commit a computer offence.



International Operations

Purpose

The AFP has a unique international remit and operates one of the world's largest law enforcement international networks. This international presence allows us to take the fight against crime offshore to detect, deter, prevent and disrupt crime at its point of origin or transit, before it reaches Australia. As of 30 June 2018, the AFP has 248 personnel located in 33 countries around the world other than Australia and its territories.

Overview

Transnational serious and organised crime, including drug trafficking, human trafficking, cybercrime and terrorism, has a direct impact on the Australian community. It is estimated that around 70 per cent of Australia's serious criminal targets live or have links overseas.

International Operations ensures that the AFP can support an international and regional environment that is stable, peaceful and prosperous. It helps to mitigate regional fragility through security and stabilisation missions and by developing the capability of national police forces to deliver legitimate and accountable policing services.

Significant achievements

Preventing drug trafficking into Australia

Collaborative offshore operational engagement has resulted in consistent success in seizing drugs before they enter Australia. In 2017–18, International Operations contributed to 165 offshore disruptions, of which 26 per cent were related to drug trafficking.

Protecting children

Sharing information with regional law enforcement partners to protect children has resulted in a dramatic reduction in numbers of travelling sex offenders. The turnaround rate of registered sex offenders attempting to enter countries in South-East Asia is now 90 per cent.

Asia-Pacific Economic Cooperation Forum

As part of facilitating and delivering capability development offshore, the AFP is contributing to the whole of Australian Government commitment to support the Royal Papua New Guinea Constabulary in planning, preparing and delivering the APEC Forum in November 2018. The Papua New Guinea–Australia Policing Partnership is an important part of Australia's overall assistance to Papua New Guinea's law and justice sector. The AFP's presence in Papua New Guinea is our largest offshore deployment.

AFP post opens in Mexico

In October 2017, the AFP opened a liaison post in Mexico City to enhance law enforcement cooperation and intelligence sharing on the movement of illicit drugs—most notably an increasing amount of methamphetamine—to Australia.

Working with Mexican law enforcement is a key part of the *Commonwealth Law Enforcement International Engagement Methamphetamine Disruption Strategy*.

Already this collaboration is producing significant results. In February 2018, the AFP and its international partners, including the New Zealand Customs Service, the Organised Financial Crime Agency of New Zealand, the Fijian Transnational Crime Unit and French Polynesian authorities, seized more than 1.4 tonnes of cocaine before it reached Australia. This is one of Australia's largest seizures of cocaine. More examples of the AFP's international collaboration are in chapter 3, page 42.



International cooperation to counter child exploitation

Case Study

Through the AFP's collaboration with law enforcement partners in the Philippines, four children were rescued from significant harm in 2017–18 and five registered sex offenders were denied entry.

In June 2018, four children between the ages of five months and 12 years were rescued from harm in Tarlac City in the Philippines following intelligence and capability collaboration between the AFP and local police. Throughout the operation, AFP officers located in Manila mentored local law enforcement officers on social media exploitation. A 35-year-old Filipina was subsequently arrested by the Women and Children Protection Centre in the Philippines after it emerged that she was allegedly attempting to arrange live-streamed sexual abuse.

Our work to enhance law enforcement capability in the region is also helping to ensure that international law enforcement agencies can protect children worldwide.

For example, the turnaround of travelling sex offenders at the border of Indonesia has stopped more than 88 per cent of registered sex offenders from entering Bali. This is a direct result of information sharing between the AFP and Indonesian law enforcement agencies.

Taskforces Blaze and Storm—disrupting illicit drug supplies

Joint task forces and multi-jurisdictional investigations have been successful in disrupting international criminal supply chains and stopping illicit drugs and precursors from entering Australia.

Taskforce Blaze, a joint task force between the AFP and the Chinese National Narcotics Control Commission, continues to deliver strong results against criminal networks for both Australia and China. Since its inception in 2015, the task force has seized a total of 19 tonnes of drugs and precursor chemicals in China and Australia, with an increase of 6 tonnes since June 2017.

The value of coordinated approaches to disrupting criminal activity affecting Australia and China was enhanced through the signing of a joint agency agreement on economic crime and the extension of the joint statement of intent focusing on combating transnational crime and enhancing police cooperation.

Taskforce Storm, a joint task force between the AFP and Thai law enforcement, has had a positive impact on drug supply in both Australia and Thailand. Since it began in 2015, its activities have resulted in the seizure of 3.05 tonnes of marijuana in Thailand and 350 kilograms of methamphetamine and 30 litres of gamma butyrolactone (GBL) in Australia.

Intelligence sharing with the Myanmar Police Force has resulted in 7.4 tonnes of narcotics, 250 tonnes of precursor chemicals and two large clandestine laboratories being seized in multiple operations in the northern Shan State.



Foreign Policy White Paper

The AFP plays an essential role in shaping and delivering the Australian Government's international engagement agenda. Our international activities are critical to ensuring the safety of Australia and its people. Today's global criminal environment is complex and borderless. Around 70 per cent of serious criminal threats in this country have an international dimension. We work to prevent and disrupt crime at its source and to build strong law and justice frameworks across our region.

Throughout 2017, the Chief of Staff portfolio and International Operations led AFP engagement in the development of the *Australian Government Foreign Policy White Paper 2017*. AFP staff were seconded to the Department of Foreign Affairs and Trade's Foreign Policy White Paper Taskforce and provided strategic advice to inform and shape government policy. The policy reflects our continued efforts to build strong relationships across government and with our international partners to protect and advance Australia's interests.



Technology and Innovation

Purpose

The Technology and Innovation portfolio enables key capabilities across the AFP by delivering prompt and appropriate functionality, data and insights.

Overview

Technology and Innovation is delivering six priority programs to the AFP to improve service delivery and extend capability:

- ▶ the Integrated Security Capability Solution as part of Program Rampart
- ▶ the Data Centre Transition Program
- ▶ the Continuous Improvement Program
- ▶ the Unified Operational Communications Program
- ▶ the Integrated Information Environment Program
- ▶ the National Capability Program.

To empower people, Technology and Innovation has adopted a more inclusive leadership style and cultivated a learning and growth mindset by encouraging collaboration in a ‘safe-to-fail’ environment. To improve services, it has concentrated on the ‘Front Door’ process (i.e. the way AFP business areas access information and communications technology (ICT) services) and setting work priorities with AFP business areas. It has done this by aligning delivery teams to business areas and authentically focusing on delivering customer benefits and outcomes.

Significant achievements

Technology and Innovation Strategic Plan 2017–2020

In August 2017, the *AFP Technology and Innovation Strategic Plan 2017–2020* was launched. It focuses resources and efforts on corporate initiatives, risk mitigation, and agility in a digitally connected world. It emphasises architecture and design, infrastructure, innovation, harnessing data, on-demand platforms, and implementing as-a-service models (i.e. how Technology and Innovation acquires, supplies and uses different technology with business areas). It highlights the need for customer-focused service and the right level of governance, sharing knowledge with partners, and inclusive leadership.

The successful implementation of the strategy has contributed to the AFP’s cultural reform by empowering people and improving the way people work.

Data Centre Transition Program

The Data Centre Transition Program was created to migrate AFP data centres to commercial data centres, enabling effective, timely, secure and innovative ICT infrastructure services to support the AFP, and reducing overall costs. The work began under the *Australian Government Data Centre Strategy 2010–2015* and positions us to align with the Digital Transformation Agency’s Secure Cloud Strategy.



Planning is well underway to migrate from the AFP's second data centre to another commercial data centre. This is scheduled to begin early in 2018–19, and to be completed before the end of the financial year. Through these activities we have significantly consolidated and rationalised our ICT infrastructure, resulting in savings in support costs and power consumption.

Capability-led investment planning

The AFP's overarching capability-led investment planning framework guides an enterprise-wide view of technology. Under this framework, the Technology and Innovation Design Authority Forum performs a whole-of-AFP technology role. It endorses and maintains designs, patterns, standards and technology road maps, and oversees all technology designs and procurements. This oversight guarantees that designs and procurements align with our plans. It also ensures that deviations, where appropriate, are guided by the right balance of enterprise-wide and initiative-focused considerations.

Innovation platform

The AFP has developed strong working relationships with the Department of Home Affairs and other portfolio agencies to increase our innovation capabilities. In June 2018, following months of development work in collaboration with our portfolio partners, we launched our new innovation platform. It provides a central coordination and collaboration stage where all AFP members can raise ideas for change and crowdsource advice and solutions. This will enable the AFP to become more innovative and support rapid reforms.

ICT service reporting and data analytics

The AFP has used its analytics platform to extend internal delivery of ICT and human resources services. The ICT Services Dashboard provides real-time information on the requests to be monitored and identifies trends. It allows the AFP to target impact issues, improve resolution times, and assist in workload management. It is an enabler to provide open and collaborative customer service. The People Analytics dashboard provides the ability to deliver near-real-time information. It allows the AFP to proactively manage workforce health and risks.



People Analytics delivers near-real-time human resource information to authorised personnel.

Case Study

Unified Operational Communications

The Unified Operational Communications (UOC) program was designed in 2017-18, and its roll-out across the organisation started in January 2018. UOC is an operational communications platform consisting of a combination of communication devices and supporting software to provide a secure, reliable, and real-time capability to anyone, anywhere. It better connects the AFP workforce, provides a safer and more effective environment for members, and has enabled us to develop a capability across the Home Affairs portfolio.

The AFP developed the program in close collaboration with industry partners. Program design, development and delivery also harnessed the benefits of the Agile methodology. The senior responsible officer for UOC, Assistant Commissioner David Stewart (National Manager Support Capability), describes the program as 'a very exciting opportunity for the AFP to operate in a different information environment and significantly enhance the capability and connectivity of operational members to raise situational awareness and increase their safety'.

UOC will continue to evolve in servicing the business requirements of the AFP to ensure our personnel have a safe and secure environment in which to raise their situational awareness for operational decision-making.

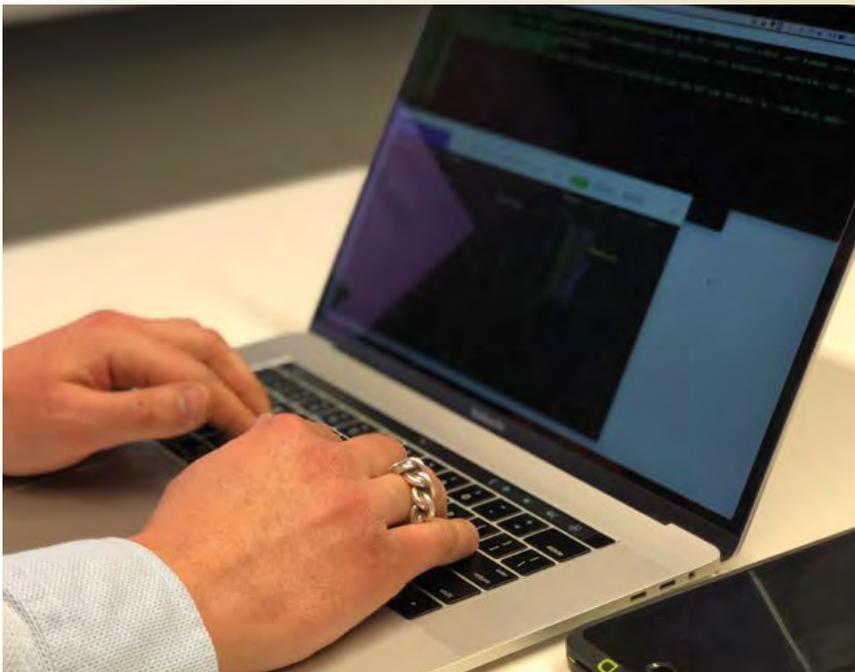
Project Stonefish—classifying offensive materials

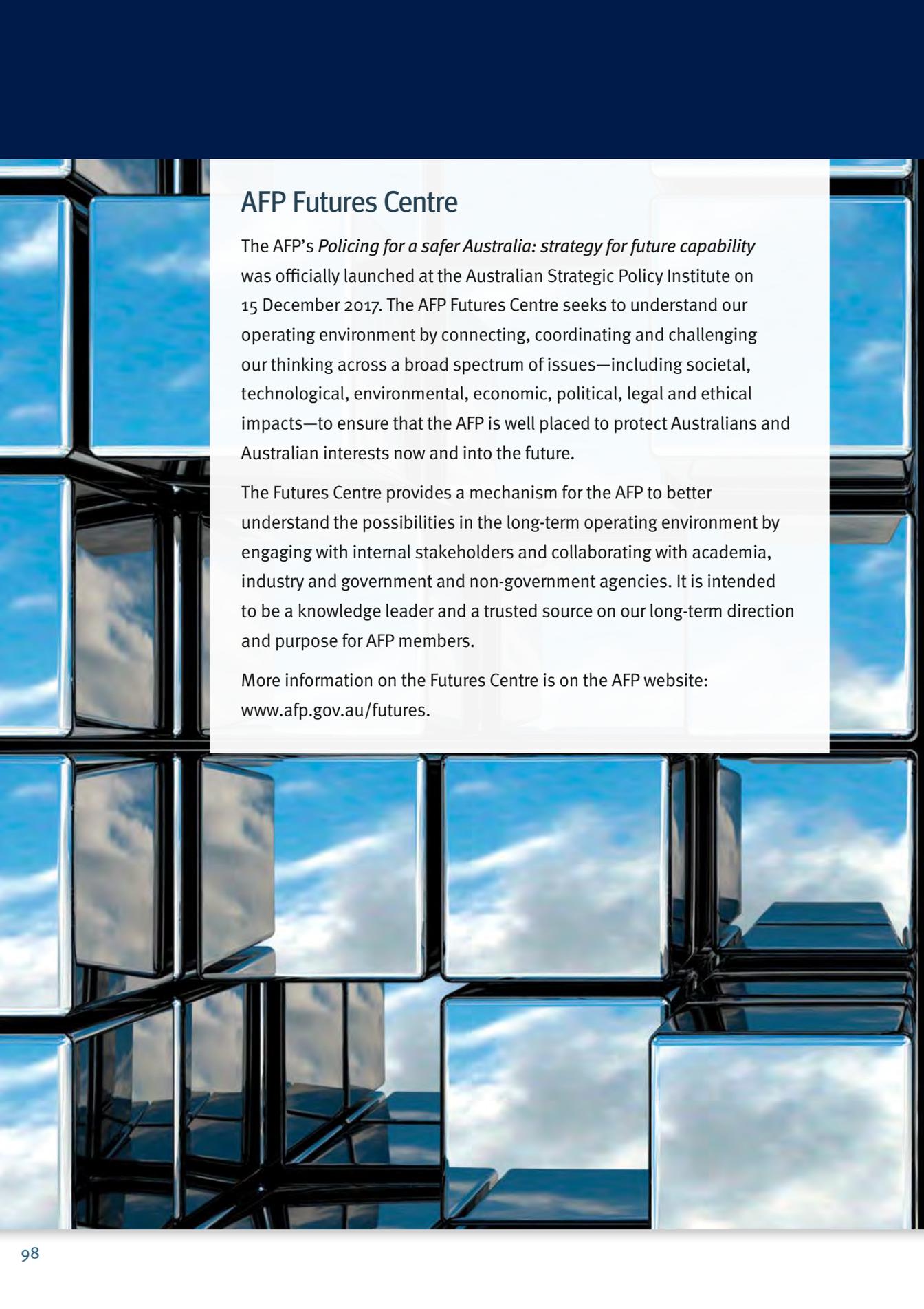
In partnership with Monash University and CSIRO's Data61, members of the AFP have been undertaking research into the use of neural networks and deep learning models to identify and classify offensive data such as child exploitation material.

This research has resulted in peer-reviewed papers on the automated recognition of offensive materials, which have been published to share knowledge across government, academia and industry. The deep learning models produced through the research have also been shared with the AFP's partner agencies.

To further this project the AFP has invested in the development—with CSIRO's Data61 and private industry partner Xenon Systems—of a world-first data airlock that will enable academia to undertake research on offensive data without being exposed to its harmful effects. The data airlock will be hosted by Monash University to enable more research collaboration with other academic institutions, potentially leading to groundbreaking innovations that better protect all Australians.

Project Stonefish has also leveraged the AFP's extensive international network to connect with partners in the UK, the US and Singapore. This has been extremely beneficial in aligning research efforts internationally across interested organisations.





AFP Futures Centre

The AFP's *Policing for a safer Australia: strategy for future capability* was officially launched at the Australian Strategic Policy Institute on 15 December 2017. The AFP Futures Centre seeks to understand our operating environment by connecting, coordinating and challenging our thinking across a broad spectrum of issues—including societal, technological, environmental, economic, political, legal and ethical impacts—to ensure that the AFP is well placed to protect Australians and Australian interests now and into the future.

The Futures Centre provides a mechanism for the AFP to better understand the possibilities in the long-term operating environment by engaging with internal stakeholders and collaborating with academia, industry and government and non-government agencies. It is intended to be a knowledge leader and a trusted source on our long-term direction and purpose for AFP members.

More information on the Futures Centre is on the AFP website:
www.afp.gov.au/futures.



Specialist Operations

Purpose

Specialist Operations delivers scientific, technical and intelligence capability to understand criminal threats, support operations and inform decision-making across all the AFP's operational and strategic activity.

Overview

Specialist Operations consists of two function areas: Operations Intelligence and Forensics. The shifting focus of the AFP's operational environment requires an increasingly integrated forensic and intelligence approach. Forensics and Operations Intelligence proactively support all phases of policing operations, spanning prevention, disruption, investigation and prosecution.

Significant achievements

Forensics Strategic Plan 2017–2020

In 2017, our Chief Forensic Scientist released the *Forensic Strategic Plan 2017–2020*. To ensure sustainability and respond to future challenges, the AFP requires agile, diverse and well-managed capabilities. The Forensic Strategic Plan recognises that to sustain these capabilities we need to embrace ongoing innovation, support cooperative and collaborative partnerships, foster a healthy and diverse workforce and implement a pre-emptive strategy to identify and mitigate future threats.

The plan identifies four focus areas: workforce and culture, capability, systems and technology, and international engagement. It is supported by road maps for progress in each area.

Criminal Intelligence Doctrine

The Criminal Intelligence Doctrine, developed through close collaboration between the AFP and the Australian Criminal Intelligence Commission, was published in March 2018. It outlines the philosophy, principles and standards required of timely, credible and actionable criminal intelligence products and services. It recognises intelligence collection, analysis and production as a fundamental law enforcement capability requiring the elements of a professional discipline and as a key component of functionality and effectiveness.

For our stakeholders and clients, the Criminal Intelligence Doctrine provides assurance that the AFP's philosophy, standards and analytical practices meet the highest unified and objective standards of integrity and intelligence tradecraft.

Specialist Operations workforce development

Specialist Operations members are committed to maintaining contemporary knowledge through external formal learning mechanisms. A bachelor's degree is a minimum requirement for Specialist Operations roles, and many staff continue on to postgraduate study. Many also undertake supervisory and advisory roles in external research and

publish in peer-reviewed journals. In 2017–18, Specialist Operations members published over 30 articles covering topics such as artificial intelligence, the dark web, and new forensic analytical techniques in areas such as biology, chemistry and textile damage.

Activities commenced this reporting period to implement the May 2017 government announcement of an additional \$321.4 million investment in the AFP's specialist capabilities. This funding provides for additional intelligence experts, tactical response and covert surveillance operators, and forensic specialists to advance Australia's fight against crime and terrorism.



New members are trained in the Majura Forensics Training Laboratory.

International Intelligence Team

When International Operations released the *International Engagement 2020 and Beyond Strategy* (IE2020) in July 2017, Operations Intelligence recognised an opportunity to create greater synergy between these two functions. It assigned the International Intelligence Team (IIT) to coordinate and manage intelligence contributions and to engage with International Operations in implementing the IE2020 strategy and developing a fully informed global picture of crime.

The IIT facilitates the rapid deployment of fully qualified professional intelligence resources offshore for up to 24 months as needed by International Operations and law enforcement partners in other countries. It works closely with International Operations in a multifaceted role that includes increasing information flows, ensuring robust pre-deployment and deployment processes, and confirming that deploying members have completed the AFP's intelligence training requirements. It regularly reviews the components of our offshore intelligence logistics.

Border Intelligence Unit

The AFP Border Intelligence Unit (BIU) provides a 24/7 intelligence-led capability within the ABF. Since its inception in March 2017, it has worked on strengthening relationships with Commonwealth and other partner agencies through increased intelligence sharing in support of operational priorities. It ensures a collaborative approach and nationally consistent identification and treatment of criminal movements across Australia's border.

The BIU focuses on evaluating border-controlled drug referrals and providing intelligence support for the AFP's International Operations and Aviation portfolios in identifying international convergences and contributing to overseas disruption strategies. From March 2017 to March 2018, the BIU evaluated 4,658 border detections.

The BIU is an innovative new capability that demonstrates the benefits of closer cooperation, information sharing and capability sharing within the AFP and with the broader intelligence and law enforcement community.

Bomb scene examination

The AFP's bomb scene examination capability is an example of collaborative capability maintenance to keep Australia safe. Our bomb scene examination team's 22 members meet annually to participate in a 'boots on ground' scenario, followed by a week of theoretical lectures and training to address current knowledge gaps.

The team has developed strong relationships with partner agencies such as Defence Science and Technology domestically and the US FBI and Terrorist Explosive Device Analytical Centre internationally, and with universities such as the Australian National University and Flinders University. We have been able to draw on their expertise and specialist equipment to support the resolution and analysis phases of a number of major operations, including Arew (see page 104) and Silves (see page 74).



Searching for evidence post-blast.

Pacific Forensic Working Group

Fingerprint Team members continued to work closely with the Pacific Police Development Program on the Pacific Forensic Working Group. They contributed directly to the working group's annual meeting in April 2018, assisted with a full review and implementation of the Pacific fingerprint training manual, and assisted with a review of the roles and responsibilities of the Pacific Police Fingerprint Specialist Association subcommittee. Training facilitated by the association led to the endorsement of seven new Pacific Fingerprint Specialists across the region through an accreditation program adjudicated by AFP examiners in April 2018. This and similar contributions are continuing to enhance police forensic capabilities in the region.

Annual Weapons Technical Intelligence Conference

Forensics hosted the Annual Weapons Technical Intelligence Conference in December 2017. The conference is an opportunity to build networks, exchange technical knowledge, share experiences and improve connectivity between areas of the AFP, state jurisdictions and other domestic and international law enforcement partners. Approximately 85 delegates attended, including representatives from 18 countries from South-East Asia, the Middle East, Europe and North America.

The annual South East Asia Bomb Data Centre Working Group meeting was also held earlier in the week. This year we welcomed representatives from nine countries (Indonesia, Malaysia, Thailand, the Philippines, Singapore, Cambodia, Laos, Vietnam and Myanmar). This working group provides a good technical information-sharing platform on the tactics, techniques and procedures of bomb makers and facilitators. Also preceding the conference was a one-week workshop for South East Asia Bomb Data Centre members, focusing on the design and manufacture of electronic circuitry associated with improvised explosive devices.

Operation Shenzi—forensic investigation of illegal drug imports

The AFP's international liaison officers feed critical operational intelligence from posts around the world to Australian law enforcement agencies, alerting them to potential criminal activity planned for Australia.

One such alert resulted in Operation Shenzi, a lengthy investigation into an international crime group importing 145 kilograms of methamphetamine 'ice' into Western Australia. The group comprised a foreign boat and crew entering Australia and a second internationally sourced shore party collecting and distributing the ice within Australia.

Our specialist operations groups in Perth and Canberra conducted numerous forensic examinations over an extended period of time in support of this investigation.

The challenges of this case for the forensic investigators did not stop at the collection and analysis stage. In the courtroom the accused people, assisted by translators, were all represented by defence lawyers, each of whom had the opportunity to scrutinise all the forensic evidence. All 13 accused people have since been convicted and sentenced.



*Seized ship
in Geraldton
Harbour.*

Case Study



Operation Arew—the investigation into MH17

Operation Arew is the AFP's contribution to Australia's response to the downing of Malaysia Airlines flight MH17 on its way from Amsterdam to Kuala Lumpur. One of the most protracted and complex investigations the AFP has ever undertaken, it has been running since 18 July 2014 and has so far involved more than 450 members in various specialised capacities. Since late 2016, Arew has included the long-term deployment of an AFP senior investigating officer and deputy senior investigating officer to the joint investigation team (JIT).

In April 2018, the JIT hosted the final forensic experts meeting in the Netherlands, led by investigative prosecutors and attended by two AFP Forensics members and their counterparts from all the other JIT countries. The meeting was a significant milestone in summarising and concluding the evidential support that forensics have contributed to the broader investigation.

On 24 May 2018, the JIT held an international press briefing where they released the significant finding that the Buk TELAR missile system used to shoot down flight MH17 originated from the 53rd Anti-Aircraft Missile Brigade of the Russian armed forces. This followed earlier findings that the Buk missile system was taken from Russia to eastern Ukraine and back immediately after MH17 went down.

The JIT continues to collect evidence to support future criminal prosecution of the perpetrators. In July 2017, all of the five countries represented on the team agreed that the eventual prosecution would take place in the Netherlands. The AFP and the JIT are resolute in their efforts to seek justice for the victims and their families.

The MH17 investigation remains critically important to the AFP, the Australian Government and the international community. The response has involved disaster victim identification and repatriation of multiple Australian victims, as well as criminal investigation of the event.





Support Capability

Purpose

Support Capability provides innovative and agile capabilities to inform and drive operations, harnessing a broad range of specialist expertise and world-leading technical capabilities to enrich the AFP's investigative outcomes. These capabilities directly support our investigations of transnational serious and organised crime, our offshore crisis responses and our contributions to policing for a safer Australia.

Overview

Support Capability comprises three important functions: the AFP Operations Coordination Centre (AOCC), the Covert and Capability branch, and the Specialist Response Group.

The AOCC is our centralised 24/7 initial response coordination and communications centre. It provides close support to AFP operations and is a critical coordination point for major incidents both domestically and internationally. The AOCC is also the gateway for referring matters for investigation to the AFP.

The role of the Covert and Capability branch includes providing surveillance and collection services, undercover operatives and witness protection. These capabilities are a core element of AFP investigative activity and play a critical role in the successful delivery of operations by other AFP branches and partner agencies.

The Specialist Response Group provides the AFP's capabilities for addressing high-risk and complex tactical operations as well as discrete specialist canine, bomb, negotiation, maritime, and search and rescue capabilities.

Significant achievements

Capability delivery model

In 2017–18, we continued implementing a refined capability delivery model designed to deliver knowledge where it is needed, when it is needed. Central to this model are our capability advisers—region-based Support Capability members with the depth of knowledge to provide whole-of-portfolio capability advice to investigators in each office around Australia. This allows investigators to receive real-time, on-site advice in relation to the deployment of specialist support and capability functions such as online operations, undercover operations, human sources, surveillance, digital collection and police technical teams.

National Canine Operations Centre 10th anniversary

On 7 December 2017, the National Canine Operations Centre in Majura, Canberra, celebrated its 10th anniversary.

In 2008, the program's capability expanded to include currency and drug detection dogs. The AFP now provides firearms and explosives detection and currency and drug detection dogs to airports around the country and to support AFP policing operations nationally.

General purpose and tactical dogs provide services to ACT Policing, national and international operations for missing people, apprehension of violent offenders, and high-risk operations. Future capability will include expansion to technology detection dogs to assist with cybercrime, counter-terrorism, child protection and other criminal investigations.

Case Study

Opening of the Australian Government Detector Dog Facility

For many years the AFP's Sydney canine team was based in the suburb of Mascot. This location isolated it from partner agencies that contribute to strategic canine detection services.

Our goal in establishing a new canine facility was to be able to combine our resources with those of other agencies to continue the successful canine detection activities at all seaports, airports and freight ports in New South Wales.

On 2 March 2018, the Minister for Home Affairs officially opened the Australian Government Detector Dog Facility. This \$3 million state-of-the-art complex houses detection dogs from the AFP, the ABF and the Department of Agriculture and Water Resources.

At the opening, AFP Acting National Manager Support Capability Michael Chew said:

Our canine capability is constantly changing to suit an ever-evolving environment, whether it be launching our recent home-made explosive detection course or strengthening Australia's canine capability by joining forces with our Australian Border Force partners. This new facility will be home to nine AFP detection dogs and provide co-located kennelling facilities, to further ensure our working canines have the best facilities to go home to at the end of each shift. We look forward to building on our relationships and future capabilities with our partners within the Home Affairs portfolio.

The ABF and AFP work closely in training and deploying dogs. Co-locating our kennel facilities will enhance this relationship, increase our detector dog capability around the country and reinforce Australia's position as a world leader in canine detection.



Dogs and their handlers are put through their paces at the newly constructed Australian Government Detector Dog Facility.

Workforce and Development

Purpose

The AFP's Workforce and Development portfolio is central to our strategy to deploy the right people with the right skills to the right place at the right time in a way that aligns with operational priorities.

Overview

Workforce and Development comprises the state office network, Learning and Development, and Protocol and Standards, including Property and Exhibits.

It has ownership of key organisation-wide strategic and operational committees, including the Regional Operations, Capability and Capacity Committees and the Weekly Operations Committee. These committees tackle emerging issues that affect business delivery. Together with the state offices, they enable Workforce and Development to flexibly and efficiently deploy the AFP's operational capacity against our highest priorities while monitoring workloads.

Workforce and Development is also responsible for delivering major ceremonial events and protocol activities, managing the AFP Honours and Awards Framework, overseeing our Property and Exhibits capability nationally, and looking after the AFP Museum.

Significant Achievements

Property and Exhibits capability

In early 2018, the Property and Exhibits capability moved to Workforce and Development. During 2018, there has been significant focus on investing in the capability through the appointment of a national coordinator responsible for driving good governance, best practice and consistency across the AFP. This has had a direct impact on capacity planning and has further enhanced safe work environments nationally. Of particular note is the Property and Exhibits Conference hosted by our Sydney Office, where the AFP, along with the state police forces and the ABF, had the opportunity to share experiences around best practice, good governance, emerging property and exhibits requirements, and educational practices.



AFP Honours and Awards

In recognition of the outstanding service of members of the AFP and the various agencies that assist our operations, Honours and Awards processed over 2000 awards under the AFP Honours and Awards Framework, ranging from the Bravery Medal to operations and service medals. In 2017–18, the Honours and Awards team assisted the Royal Solomon Islands Police Force with the distribution of 2,500 Royal Solomon Islands Police International Law Enforcement Cooperation Medals to members of the AFP, other police forces and participating agencies. This award recognises the recipients' direct support to the Royal Solomon Islands Police Force and their help in the development of law enforcement initiatives. The team also continued to assist with the recognition of AFP appointees through nominations to the Australian honours system.



Ceremonial and Protocol

The Ceremonial and Protocol team—supported by the Ceremonial and Protocol Network in state offices—supported the AFP's presence at a large number of formal events, graduations and other high-profile ceremonial occasions. In September 2017, it successfully delivered events during Police Week, culminating in a National Police Remembrance Day service at the National Police Memorial attended by nearly 700 people. It has built on its reputation as a leader in ceremonial capability by working with the ABF and the New South Wales Police on drilling, uniforms and event planning. A sombre aspect of the team's duties is delivering funeral support and assistance when the AFP farewells one of its members. In 2017–18, we lost more than 40 former and serving members. The Ceremonial and Protocol team ensured that their final farewells were respectful and dignified and reflected the esteem in which they were held.

Jakarta Centre for Law Enforcement Cooperation

The Jakarta Centre for Law Enforcement Cooperation (JCLEC) was founded in 2004 in the aftermath of the Bali bombings. Today, it is established as an expertise exchange hub, with 24,000 alumni representing 79 countries, and has created an unparalleled body of knowledge, experience and cooperation, contributing to capacity-building efforts throughout the Asia-Pacific region.

In the 2017 calendar year, JCLEC set new records for completed program and participant numbers. It delivered 132 programs over 12 months, an increase of 48 per cent. Participant numbers were 3,629—80 per cent more than in 2016, and a 14-year high. Indonesian National Police attendance increased by 31 per cent, with 1,650 course participants, representing 45 per cent of total participation.

In 2017, JCLEC completed its first programs away from the Semarang facility, and in fact outside Indonesia, arranging counter-terrorism workshops throughout Indonesia and in the Philippines and Thailand. This was an important step, demonstrating that we can meet sponsor needs by extending beyond the finite accommodation and training room capacity at Semarang.

Alongside 308 instructors from Indonesia, the number of overseas trainers increased by 9 per cent to 357 instructors.

JCLEC's upsurge in program activity in 2017 reflects the commitment and confidence of sponsor countries and multilateral agencies. These include the governments of Indonesia, Australia, Canada, Denmark, the Netherlands, New Zealand, the UK and the US, as well as the Bali Process Regional Support Office, Interpol and the United Nations Office on Drugs and Crime.



*Jakarta Centre for
Law Enforcement
Cooperation (JCLEC).*

Australian Institute of Police Management

The Australian Institute of Police Management (AIPM) is a national common police service hosted by the AFP. All AIPM employees and the site at Manly belong to the AFP. The AFP Commissioner chairs the AIPM Board of Control, which consists of all Australian and New Zealand police commissioners. The AIPM provides executive and tertiary-level education to policing and other public safety organisations domestically and internationally.

In 2017–18, the AIPM conducted 83 learning and development activities for over 1,600 participants. As well as structured education, these activities provide opportunities for networking across the law enforcement and public safety sectors to enable more effective and efficient staff.

A highlight for the AIPM in 2017–18 was hosting the Leadership in Counter Terrorism Program at Manly. The program brought together 40 senior law enforcement and intelligence officers from the UK, the US, Canada, New Zealand and Australia to improve our collective capacity to prevent terrorism.



The AIPM at night.



Centenary of federal policing in Australia

On 18 November 2017, at the invitation of the Southern Downs Regional Council, AFP members and Australian Government representatives attended a celebration at Warwick, southern Queensland, to mark the 100th year since federal policing began in Australia. This involved a full day of heritage events, culminating in an historical re-enactment of the ‘Warwick incident’, which occurred when Prime Minister Hughes arrived in the town at 3 pm on 28 November 1917.

As Hughes stepped off the train and began to speak to the crowd, anti-conscription protesters hurled eggs at him. Defying the Prime Minister’s direction, the local police refused to make any arrests under Commonwealth law. This incident, just one of a series of jurisdictional disputes Hughes had been having with the Queensland Government over his handling of war-related issues, was the one that finally convinced him to establish a Commonwealth Police Force.

The centenary ceremony took place in the forecourt of the railway station. It began with a flawless display of flag protocol by AFP ceremonial and protocol officers, followed by comments from the Mayor of the Southern Downs, Councillor Tracy Dobie. Commissioner Colvin then gave an overview of the roles and extensive achievements of the various iterations of the federal police since 1917. ‘We take enormous pride in what we have achieved in our first 100 years and look forward to keeping Australians safe in our second century,’ he said.

Representing Prime Minister Turnbull, local member the Hon David Littleproud MP unveiled a plaque commemorating the Warwick incident and the formation of the Commonwealth Police Force.

The AFP also partnered with the National Museum of Australia, the National Arboretum and the Warwick Art Gallery to promote the centenary.





Senior AFP members and Ceremonial and Protocol Officers join Commissioner Colvin for a once-in-a-century photo on the steps of Warwick Railway Station.

People, Safety and Security

Purpose

It is critically important for the AFP to attract, retain and develop not only the workforce we need today but also the workforce we will need to meet future challenges. People, Safety and Security works as a business partner to all other areas of the AFP to ensure that we develop programs and services that respond to their needs.

Further information on People, Safety and Security is in chapter 5.

Overview

People, Safety and Security delivers human resource, security and organisational health services and solutions to safeguard the AFP and enable us to provide effective and efficient law enforcement in a complex environment and ultimately provide for a safer Australia. It comprises three business areas: Organisational Health, People Strategies, and Security.

Significant achievements

Enterprise Agreement 2017–2020

On 15 December 2017, AFP staff were advised of a majority ‘yes’ vote in favour of a new enterprise agreement for Band 1–8 employees. The Fair Work Commission approved the AFP application on 19 May 2018. The new agreement took effect on 24 May 2018, with a nominal expiry date of 24 May 2021.

To shape an agile workforce, the *AFP Enterprise Agreement 2017–2020* introduced a new technical specialist framework to attract and increase technical capabilities that better complement the ever-evolving crime backdrop, while providing safe and considered safety nets for employees.

The new agreement reflects a critical move towards functional efficiency as part of a modern employment framework.

Enhanced security vetting capability

The AFP's Security function is responsible for our security clearance and vetting processes to determine the suitability of AFP members and prospective employees to obtain access to our facilities and classified information. These processes safeguard the AFP and its information and assets by treating the people risks associated with our business.

Since becoming an authorised vetting agency, the AFP has been responsible for granting Baseline and Negative Vetting security clearances to its members. In late 2017, we enhanced our vetting capabilities to include Positive Vetting, the Australian Government's highest clearance, and we granted our first Positive Vetting security clearance in 2017–18. The AFP will continue to rely on the Australian Government Security Vetting Agency until our Positive Vetting capability is fully functional by 2019–20.

Health and Wellbeing Strategy 2018–2023

In 2017–18, we developed and launched the *AFP Health and Wellbeing Strategy 2018–2023*. This strategy demonstrates a commitment to our people through a model of shared responsibility to restore and promote health and to prevent illness and injury, no matter what the cause. It defines health and wellbeing as the complex interplay of physical, psychological, organisational and social health that affects an individual's wellness at work.

The strategy acknowledges the high-risk nature of the work the AFP undertakes, which carries an inherent risk of harm and injury. It provides a foundation for health and wellbeing in the AFP over the next five years. As an important first step, it focuses on self-care—the responsibility of each individual to protect their health.



Gender balance initiatives

In 2017–18, four Federal Police Development Program (FPDP) courses, with 57 female and 51 male participants, and two Protective Service Officer Program (PSOP) courses, with 19 female and 39 male participants, commenced at the AFP College in Canberra. One FPDP course and both PSOP courses graduated. Two FPDP and two PSOP courses will graduate between July and November 2018.

As part of the AFP's commitment to diversity and to achieving a gender balanced workforce, de-identified recruitment processes were used for three recruitment processes—one for sergeants and two for Executive Level positions—to minimise unconscious bias and improve fairness and equity in assessing applications. We undertook an evaluation of each process and identified potential improvements such as providing a checklist to candidates to help them prepare their application. We will continue to evaluate the effectiveness of the de-identification initiative as part of a review in 2018–19.

The JCLEC has a target of at least 10 per cent female participation in the activities it facilitates. Through active promotion of this objective with key donor countries, we exceeded this target in the 2017 calendar year. The proportion of female participants was 13 per cent—468 out of 3,629—and 15 per cent of the instructors were women.

The Chief of Staff portfolio's strategic communication, media and design services play a key role in delivering many high-priority and strategic AFP initiatives. In 2017–18, the team supported the AFP's recruitment campaign targeting women between the ages of 18 and 30 for policing and protective services roles.

Along with traditional media slots, there was a strong social media campaign, including live-streaming events. Nearly 925,000 people viewed the AFP's Facebook posts, and our tweets reached another 10,000 potential applicants. The response to the campaign surpassed expectations. We had more than 1,000 applications, and a higher than usual proportion of applicants met the recruitment criteria. This success will influence future recruiting efforts, particularly in the use of social media.



Strategic Communications played an important role in delivering the AFP's gender balance initiatives.

Chief Financial Officer

Purpose

The Chief Financial Officer (CFO) portfolio supports AFP outcomes by providing a comprehensive range of financial, commercial and business support services.

Overview

The CFO portfolio has been active in supporting the Reform, Culture and Standards agenda, working towards meeting the AFP values, code of conduct and reforms recommended by the Cultural Change report. It currently has 14 per cent of employees working on a part-time arrangement and supports flexible work arrangements across all branches.

It also works closely with Home Affairs portfolio partners to collaborate and co-locate staff and specialist facilities. The AFP has entered into co-location agreements in Sydney, Melbourne, Perth and Adelaide for canine facilities.

It delivers shared services such as criminal records and finance, payroll and commercial support services, records management and logistics support. The function continues to identify opportunities for more efficient resource use, promotes agility in resource allocation and drives change in business models to achieve more effective results.

Significant achievements

Key achievements of the CFO portfolio in 2017–18 include:

- ▶ construction of the Australian Government Detector Dog Facility
- ▶ moving and consolidating records management and warehousing
- ▶ advocating for and training staff in Lean methodology to generate efficiency in AFP functions.

Consolidation of Records Management

The AFP previously held large volumes of hard copy Commonwealth records in the ACT and a number of regional records management units, including in Perth, Adelaide, Melbourne and Sydney. In each of the regions there was a team to provide records management and regional mailroom services, including storage of archived Commonwealth records.

In February 2018, the new Records Management Unit facility in Hume began operating. It has the capacity to house nine kilometres of records in two large compactus units, and will allow the consolidation of regional holdings while continuing to provide capacity for growth.



5 Management and accountability



Management and accountability

5

Corporate governance	120
External scrutiny	128
Our people	134
Financial management	143

Corporate governance

Senior management committees

The AFP Commissioner, Andrew Colvin, has overall responsibility for the organisation and its strategy, policy and reputation. The three Deputy Commissioners and Chief Operating Officer are responsible for delivery of strategies, long term capability and future direction. The national managers and managers ensure priority focused delivery of AFP operations, capability and capacity.

Our senior management committees are responsible for decision-making across three areas:

- ▶ strategy and communication
- ▶ governance
- ▶ operations, capability and capacity.

The strategy and communication and governance committees report directly to the Commissioner. The operations and capacity committees report to the National Managers Forum, which in turn reports to the Executive Leadership Committee.

In the first half of 2018, the AFP undertook a review of the organisation’s internal governance structures. As a result, a new key committee framework will be implemented from July 2018.

Figure 5.1 Key committee framework

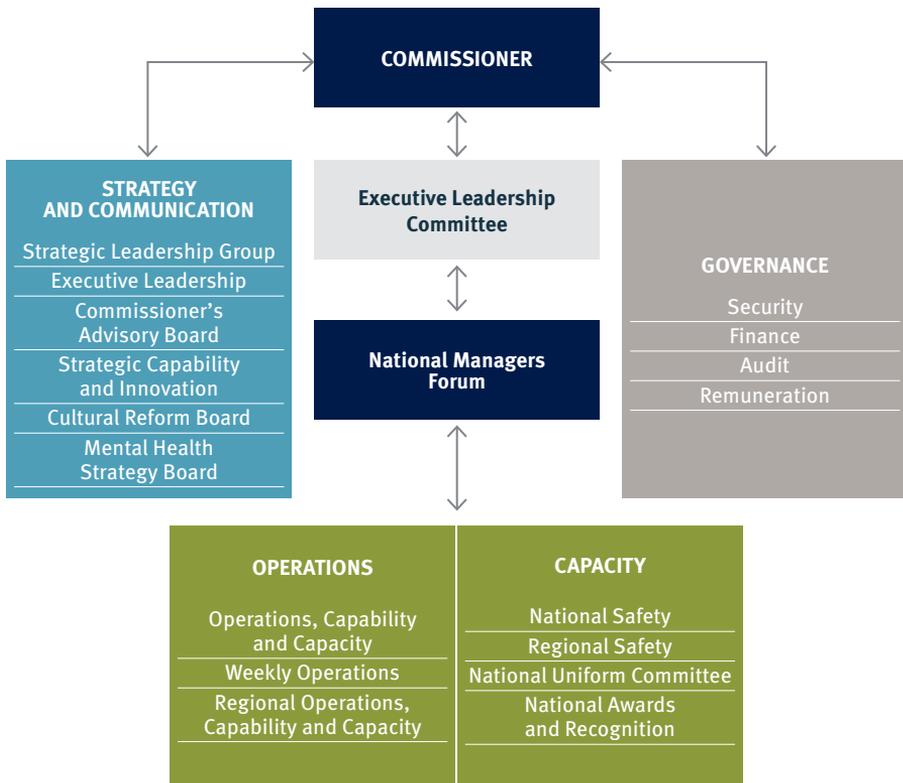


Table 5.1 Committee details

Committee	Chair	Role
National Managers Forum	Chief of Staff	Ensures the effective delivery of the core business of the AFP, implements strategic direction and delivers organisational outcomes across the pillars of operations, capability and capacity

Committee	Chair	Role	Strategy and communication
Strategic Leadership Group	Commissioner	Considers issues of strategic organisational significance such as matters with political, safety and reputational impact and provides strategic direction for the agency, to be implemented through the National Managers Forum and other committees	
Executive Leadership Committee	Commissioner	Facilitates consultative decision-making of the AFP Executive with a particular focus on time-sensitive issues of organisational significance, particularly those with government, political, safety or reputational impact	
Commissioner's Advisory Board	Commissioner	Provides the AFP Commissioner with external perspectives to rigorously examine strategic settings for the AFP	
Strategic Capability and Innovation Committee	Deputy Commissioner Capability	Identifies and drives the development of the AFP's future capabilities and the supporting capability framework	
Cultural Reform Board	Commissioner	Advises the Commissioner on matters relevant to the cultural change process and provides input on behalf of all staff into the Commissioner's reform agenda	
Mental Health Strategy Board	Chief Operating Officer	Shapes the AFP's Mental Health Strategy	

Committee	Chair	Role	Governance
Security Committee	Chief Operating Officer	Is responsible to the Commissioner for the ongoing development of AFP Security Policy, the oversight of security matters within the AFP and the creation and maintenance of an appropriate security culture for the protection of AFP people, functions and official resources	
Finance Committee	Commissioner	Oversees the financial management and performance of the AFP, oversees and monitors the internal control framework, and approves the AFP internal (operating and capital) budget allocation	
Audit Committee	Chief Operating Officer	Provides independent assurance and assistance to the Commissioner on the AFP's risk, control and compliance framework; and its financial statement and performance reporting responsibilities	
Remuneration Committee	Chief Operating Officer	Considers remuneration matters and makes recommendations to the Commissioner for approval	

Committee	Chair	Role	
Operations Capability and Capacity Committee	National Manager Workforce and Development	Focuses on operational capability, capacity, governance and policy issues	Operations, capability, capacity
Weekly Operations Committee	National Manager Workforce and Development	Focuses on decision-making regarding capacity, priorities and allocation of specific capabilities required to achieve operational priorities	
Regional Operations Capability and Capacity Committees	Regional State Office Managers	Responsible for the implementation of operational and strategic decisions from the Weekly Operations Committee and Operations, Capability and Capacity Committee	
National Safety Committee	National Manager People, Safety, and Security	Provides strategic direction to the AFP health and safety management program, reviews AFP health and safety performance and oversees the development, implementation and review of national guidelines for workplace injury/illness prevention and management	
Regional Safety Committees	Regional State Office Managers	Assess and recommend controls for identified workplace health and safety risks in the local activities and work environments and help the AFP to develop, implement, disseminate and review effective measures to protect and promote the health and safety of all AFP workers	
National Uniform Committee	National Manager People, Safety and Security	Sets and monitors the strategic direction, including the implementation of policy, regarding national uniform standards	
National Awards and Recognition Committee	National Manager People, Safety and Security	Considers and recommends awards within the AFP Internal Awards Framework to recognise AFP members with the appropriate honours and awards	

Corporate planning and reporting

The AFP Corporate Plan sets out our purpose, priorities, environmental context, activities, performance measurement methods and management approach to risk. It guides us in achieving the results we have targeted. We update our Corporate Plan every year, ensuring it aligns with legislative requirements of the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act) and the accompanying Public Governance, Performance and Accountability Rule 2014 (PGPA Rule).

Along with the AFP PBS and Annual Performance Statement, the Corporate Plan is an integral part of our performance management and reporting cycle.

Our Corporate Plan 2017–18 incorporates the elements of our current transformation. In 2015–16, we established four strategic initiatives designed to provide us with the capability to address the challenges of the complex and ever-changing environment in which we operate. The four strategic initiatives align our capabilities (the skills we have and the skills we have access to) and our capacity (how many people we have) to our operations. This allows us to retain our flexibility, increase our efficiency and ensure that the AFP is future-proofed against the challenges we face. For more information on these strategic initiatives, see chapter 2, ‘Strategic initiatives’.

Progress and performance against the strategic initiatives and performance criteria detailed in the AFP Corporate Plan 2017–18 appear in this report in the Annual Performance Statement, chapter 3, ‘Performance overview’.

Managing change initiatives: Enterprise Portfolio Management Office

The AFP Enterprise Portfolio Management Office manages new policy initiatives and programs (change initiatives) that have been developed under our four strategic initiatives. The office ensures that the change initiatives remain strategically aligned and will achieve the outcomes we are aiming for.

In 2017–18, the AFP’s investment portfolio consisted of 81 change initiatives in a range of maintenance, enhancement and new capability activities.

The Enterprise Portfolio Management Office is the custodian of the four-year rolling Capital Plan, which outlines the organisation’s capital investment into the future. The office monitors the progress of projects and programs against identified budget and delivery outcomes.

The Enterprise Portfolio Management Office makes recommendations to the Strategic Capability and Innovation Committee based on project alignment to strategic initiatives, funding, risk, capacity and delivery.

Internal audit

The AFP prepares an annual Internal Audit Program that takes into consideration agency-wide and organisational business unit risk assessments, previous and proposed ANAO coverage, previous internal audit coverage and new initiatives. The program is approved by the Commissioner. In 2017–18, the program was delivered using in-house and external resources.

The AFP Audit Committee met five times during 2017–18, and considered nine internal audit reports. Internal audit coverage ranged from property and exhibits to capital management. The Audit Committee monitors progress of recommendations made in internal audit and ANAO reports through regular reporting. Relevant external audits are listed in this chapter under ‘External scrutiny’.

Risk management

The AFP’s operating environment is increasingly complex. We embrace risk management as an integral part of our business to help in setting our strategies, achieving our objectives and making informed decisions. The AFP integrates risk management into organisational planning, governance, leadership, strategy, operations and performance.

Under the PGPA Act, the AFP Commissioner must govern the AFP in a way that promotes the proper use and management of public resources for which we are responsible and in a way that is not inconsistent with the policies of the Australian Government.

The Commissioner’s general administration and control of the AFP is conducted in accordance with the AFP Act, which provides the framework within which the AFP’s corporate governance sits.

To meet PGPA Act objectives, the AFP’s corporate governance includes:

- ▶ systematic approaches to managing fraud, such as the AFP Fraud Risk Assessment and the Fraud and Anti-Corruption Plan
- ▶ the Governance Instrument Framework, which contains documents that inform AFP members of their obligations and duties
- ▶ measures to control business risks, including treatments identified in the AFP Enterprise Risk Profile
- ▶ allocation of resources to a business continuity management program in accordance with the requirements of the Australian Government Protective Security Policy Framework.

The AFP continuously monitors and reviews its risk information. Our audit and executive oversight committees provide assurance and oversight.

The AFP participates in the Commonwealth Risk Management Community of Practice to share and implement better practice; and in the annual Comcover Risk Management Benchmarking Survey, which assesses the maturity of agencies’ risk management in accordance with the Commonwealth Risk Management Policy.

Risk management framework

The AFP’s risk management framework is the foundation on which we establish and maintain our risk oversight, management and internal control. Our risk management framework is consistent with the Commonwealth Risk Management Policy and the updated International Standard ISO 31000:2018 on Risk Management. Our internal risk arrangements include risk management policies, procedures, templates, responsibilities, culture, training and awareness.

The AFP's risk management approach considers human behaviour and cultural factors. It includes robust governance and procedures, strategic oversight, internal business area planning, risk assessments and treatment, and external operating environment analysis across the AFP's four key enterprise risk categories:

- ▶ people, health, culture and safety
- ▶ operational outcomes
- ▶ resourcing and workforce planning and management
- ▶ support capability.

People, health, culture and safety

Risk to people, health, culture and safety is the first and foremost consideration within the AFP's Enterprise Risk Profile.

The Enterprise Risk Profile encapsulates the nature of AFP business, its fraud and corruption posture, and the value the AFP places on the health and wellbeing of current and former AFP members, contracted service providers, AFP volunteers and other personnel who provide services to the AFP.

Operational outcomes

Operational risk broadly encompasses risk to outcomes of AFP operational/ investigational activity across crime types. Risk relating to injury or loss of life of other people during AFP intervention is also included in this category.

Resourcing and workforce planning and management

Awareness of resourcing and workforce planning and management risk underpins all AFP activities relating to financial appropriation and management; attracting, retaining, developing, equipping and deploying the workforce; and resource management, including maintenance and recovery of critical AFP activity after disruption.

Support capability

Support capability risk relates to support functions, strategic communications, and engagement and enabling activities underpinning all AFP activities (for example, information and communications technology, information management, performance reporting, governance, security and assurance activities).

During 2017–18, the focus was on executive engagement, risk workshops and facilitations, risk training and delivery, and capability improvement. This focus was a continuation of our 2016–17 strategy, which concerned maintaining a positive risk culture and increasing its maturity with regard to the nine elements outlined in the Commonwealth Risk Management Policy.

Fraud control

The AFP promotes a culture of ethical conduct and has a zero-tolerance approach to fraud and corruption. We maintain a robust internal fraud control and anti-corruption framework designed to prevent, detect and respond to fraud and corruption.

As a Commonwealth entity, the AFP is required to have a fraud control plan and conduct fraud assessments in compliance with section 10 of the PGPA Rule.

The revised AFP Fraud Control and Anti-Corruption (FCAC) Plan, released in January 2018, sets out our strategy for overall management of fraud and corruption risks within, and against, the agency. The FCAC Plan applies to all members, contractors and service providers, who are made aware of their individual roles and responsibilities in fraud and corruption prevention, detection and response. The FCAC Plan is consistent with the AFP's professional standards framework.

Fraud and corruption risks are reviewed regularly. Our Executive Leadership Committee and our Audit Committee monitor the progress and effectiveness of the implementation of the FCAC Plan as part of their oversight and assurance roles.

Governance Instrument Framework

The Governance Instrument Framework is a library of AFP governance (including Commissioner's Orders and National Guidelines) available through an AFP intranet portal that contributes to the:

- ▶ security of the AFP
- ▶ administration of the AFP Act
- ▶ professional standards of the AFP and procedures for addressing conduct issues established in Part V of the AFP Act
- ▶ legal compliance of AFP appointees in discharging their duties, including responsibilities under the PGPA Act, *Work Health and Safety Act 2011* (Cth) (Work Health and Safety Act), *Crimes Act 1900* (ACT), *Crimes Act 1914* (Cth) and *Privacy Act 1988* (Cth)
- ▶ management of risk
- ▶ delegation of statutory authority and powers
- ▶ achievement of operational outcomes, consistent with AFP values and the efficient and ethical use of Commonwealth funds and property.

More information is available on the AFP's Information Publication Scheme web page: <https://www.afp.gov.au/about-us/information-publication-scheme>.

Business continuity planning

The AFP has an established business continuity management framework which interacts with existing AFP operational crisis response structures, providing a consistent approach to managing disruption-related risks. The framework applies to all functions, including key sites across Australia and internationally, enhancing resilience to business disruption across the AFP.

In 2017–18, we focused on transitioning to an online database system to improve the management of the AFP's critical business activities. This system provides for the prioritisation of resources across the AFP to the areas of greatest criticality in the event of wide-scale business disruption.

We ensure the AFP's business continuity plans are consistent with international standards of practice, and we test and review them on an annual basis. Our Audit Committee monitors the compliance with and effectiveness of the business continuity management framework as part of its oversight and assurance role.

Business continuity plans are also in place for critical ICT systems and services which support AFP operations.

Ecological sustainability

In 2017–18, the AFP continued to improve on its environmental profile through a three-tiered approach to sustainability:

1. Eliminate redundant consumption
2. Improve energy efficiency
3. Offset consumption.

Overall static energy costs fell compared to the previous year, despite rising energy costs and a growing dynamic portfolio. As a result the AFP reclaimed approximately \$107,000 in overcharges and implemented energy-related initiatives projected to save an estimated \$440,000 and 658 MWh annually.

Significant projects completed include:

- ▶ installing separate air conditioning systems to avoid lease-related after-hours air conditioning charges
- ▶ a national program to recommission and improve air conditioning units at all our airport operations centres to accord with industry best practice for critical environment temperature control and energy efficiency.

In 2017–18, the AFP's Data Centre Transition Program has continued the consolidation, remediation and decommissioning of servers, storage and network equipment in our primary data centre. By reducing the amount of ICT hardware, we have been able to achieve a continued reduction in ICT power usage. This has resulted in a reduction of greenhouse gas emissions. This activity, combined with the effective management of mechanical power consumption, has resulted in a data centre power usage effectiveness (PUE) that is significantly lower than the target of 1.5 PUE set by

the Department of Finance. Additional sustainability opportunities are programmed for 2018–19 aimed at further reducing and offsetting energy consumption, including looking at water and waste opportunities.

In addition, the AFP participated in CitySwitch, a national program to help organisations improve their energy efficiency. The CitySwitch Awards showcase outstanding environmental leadership, providing recognition to those who have improved, maintained or achieved their National Australian Built Environment Rating System (NABERS) tenancy or whole-building energy rating and have reported significant energy savings. In 2017, the AFP was recognised with the CitySwitch State New Signatory Highly Commended award.

External scrutiny

Auditor-General reports

Audit Report No. 31—Managing Mental Health in the Australian Federal Police

Audit Report No. 31 examined the AFP’s effectiveness in managing our employees’ mental health.

The audit commenced in February 2017. It built on work undertaken in the development of the draft AFP Mental Health Strategy and complemented the work that was concurrently underway with the Phoenix Australia Centre for Post-traumatic Mental Health (see below under ‘Independent reviews’).

The audit made six recommendations, all of which were accepted and agreed by the AFP during February 2018.

The audit, along with the Phoenix review, informed the development of the *AFP Health and Wellbeing Strategy 2018–2023*. Through the development of the new strategy, the AFP acknowledges the important work being done to combat the stigma associated with mental health issues. It is essential to ensure that all AFP members recognise the first step is our individual responsibility to look after our own health.

Audit Report No. 41—Efficiency Through Contestability Programme

Audit Report No. 41 assessed the effectiveness of the Efficiency Through Contestability Programme in supporting entities to improve their efficiency in the delivery of government functions. The program is assessing all current government functions to determine whether particular functions should be open to competition and how competition should occur. The AFP was one of 25 entities included in the audit.

The ANAO concluded that the program was effective in achieving its aim. The ANAO made no recommendations but noted that entities would benefit from developing performance measures that capture improvements in efficiency over time—such as through the use of baselines or benchmarks.

Commonwealth Ombudsman reports

Reviews of AFP complaint management

Section 40XA of the AFP Act requires the Commonwealth Ombudsman to conduct at least one annual review of the AFP's administration of Part V of the AFP Act and report to parliament on the results of those reviews.

On 19 June 2018, the Commonwealth Ombudsman tabled its 2016–17 annual report to parliament on complaints resolved between 1 March 2016 and 28 February 2017. The review did not identify any systemic issues in AFP's complaint management administration.

For the review period covering 1 March 2017 to 28 February 2018, two inspection visits were conducted under Part V—in August 2017 and March 2018. The findings of the Ombudsman's 2017–18 annual report are yet to be published. However, preliminary discussions indicate that the Ombudsman identified no significant or systemic issues. The review noted the ongoing complaint management reforms that the AFP is undertaking.

The AFP continues to work closely with the Ombudsman's office to ensure best practice complaint management in the AFP. The next inspection is scheduled to commence on 1 April 2019.

Australian Information Commissioner decisions

During 2017–18, the Australian Information Commissioner made nine decisions concerning AFP freedom of information requests. One of the decisions was set aside and substituted, providing the applicant with greater access to the documents; and eight AFP decisions were affirmed.

Freedom of information: Information Publication Scheme

The Information Publication Scheme (IPS) created by Part 2 of the *Freedom of Information Act 1982* (Cth) (FOI Act) requires Australian Government agencies subject to the FOI Act to publish a broad range of information on their public website.

The IPS underpins a pro-disclosure culture across government and transforms the freedom of information framework from one that is reactive to individual requests for documents to one that is agency driven. More information is available on the AFP's Information Publication Scheme web page: www.afp.gov.au/about-us/information-publication-scheme.

Judicial decisions and decisions of administrative tribunals

During 2017–18, there were no judicial decisions or decisions of administrative tribunals that had a significant effect on the operations of the AFP.

Parliamentary committee reports

In 2017–18, the AFP Chief of Staff portfolio supported our engagement in the following parliamentary inquiries and other key inquiries:

- ▶ Senate Legal and Constitutional Affairs Legislation Committee inquiry into the Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2017
- ▶ Senate Legal and Constitutional Affairs Legislation Committee inquiry into the Criminal Code Amendment (Protecting Minors Online) Bill 2017
- ▶ Senate Legal and Constitutional Affairs References Committee inquiry into the adequacy of existing offences in the Commonwealth Criminal Code and state and territory criminal law to capture cyberbullying
- ▶ Senate Standing Committee of Privileges inquiry into parliamentary privilege and the use of intrusive powers
- ▶ Parliamentary Joint Committee on Intelligence and Security review of stop, search and seize powers, declared areas, control orders, and preventative detention orders
- ▶ Parliamentary Joint Committee on Intelligence and Security inquiry into the National Security Legislation Amendment (Espionage and Foreign Interference) Bill 2017
- ▶ Parliamentary Joint Committee on Intelligence and Security inquiry into the Foreign Influence Transparency Scheme Bill 2017
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the performance of the AFP's functions under Part 5.3 of the Criminal Code Act
- ▶ Independent National Security Legislation Monitor statutory deadline review of stop, search and seize powers, declared areas, control orders, and preventative detention orders
- ▶ Independent National Security Legislation Monitor inquiry into prosecution and sentencing of children for Commonwealth terrorist offences
- ▶ Parliamentary Joint Standing Committee on Foreign Affairs, Defence and Trade inquiry into establishing a Modern Slavery Act in Australia
- ▶ Parliamentary Joint Committee on Law Enforcement inquiry into human trafficking, slavery and slavery-like practices
- ▶ Parliamentary Joint Committee on Law Enforcement inquiry into the impact of new and emerging information and communications technology
- ▶ Senate Foreign Affairs, Defence and Trade References Committee inquiry into the Implications of climate change for Australia's national security.

Independent reviews

Phoenix review

In March 2017, the AFP formally contracted the Phoenix Australia Centre for Posttraumatic Mental Health to undertake a mental health review of the AFP.

The review followed the work that we undertook to develop a draft AFP Mental Health Strategy. It incorporated the review of internal literature and governance as well as extensive consultation with AFP members, former members and their families.

The review made 37 recommendations to inform and guide the future initiatives aimed at improving mental health and wellbeing outcomes of AFP members. All recommendations were agreed, and they informed the development of the *AFP Health and Wellbeing Strategy 2018–2023*. The new strategy was formally launched on 15 May 2018.

An implementation plan accompanying the strategy sets out how the AFP will implement changes to provide a solid foundation for AFP members to understand their health responsibilities, while also acknowledging the support services that are available to them.

Professional standards

The AFP provides a work environment in which professional standards are valued, opportunities for corrupt conduct are minimised, and compliance with integrity measures are accepted and shared across the workforce.

The AFP continually reviews its Integrity Framework to ensure organisational integrity remains robust. With the complexity of the changing law enforcement environment, proactively implementing intelligence-led, risk-based strategies with regard to deterrence, detection and disruption of misconduct and corruption is pivotal for continued long-term success.

During the 2017–18 financial year, the Reform, Culture and Standards portfolio initiated the Professional Standards Reform and Integrity Project, which has five broad priority areas for reform:

- ▶ the Professional Standards (PRS) unit's investigation methodology
- ▶ enhanced risk management
- ▶ consistency in sanction implementation
- ▶ legislative and governance reform
- ▶ future state.

Key reforms include:

- ▶ enhanced communication and direct engagement with AFP members earlier in the investigation process
- ▶ the establishment of a Professional Standards Panel

- ▶ enhancements in investigation methodology, resulting in improved investigation timeliness
- ▶ completion of older investigative matters.

The AFP continues to work closely with ACLEI in support of corruption prevention and investigations. We have a close working relationship with the Commonwealth Ombudsman, and this supports best practice approaches in complaint management across the AFP.

A variety of professional standards educational and awareness programs were provided during the 2017–18 financial year, including:

- ▶ new staff induction training
- ▶ constable and team leader development programs
- ▶ pre-deployment preparation courses.

Representatives from ACLEI and the Commonwealth Ombudsman’s office continue to present at a range of AFP training programs, helping to embed our integrity strategies.

The AFP Drug Testing Program continues to be an important element of our Integrity Framework (Appendix A, Table A5). Following the implementation of new drug-testing strategies in July 2017, the AFP continues to review its strategies on targeted testing for high-risk groups. The strategies are based on risk modelling, improved detection and optimal use of available resources. The continuous improvement focus will assist PRS to support early intervention and prevention strategies.

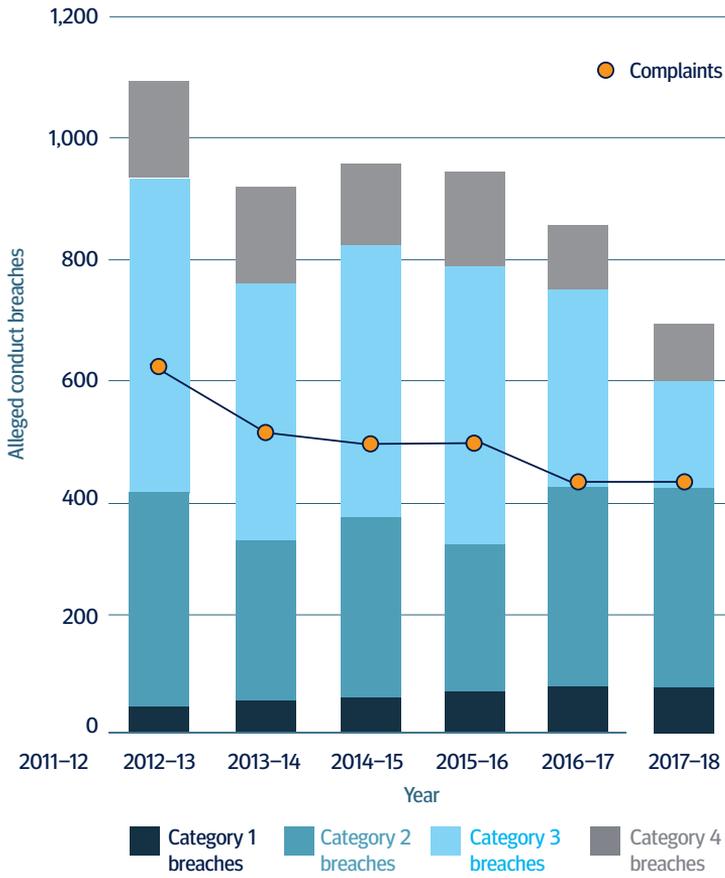
Complaint management

Part V of the AFP Act defines the categories of complaints about AFP appointees. Complaints are dealt with as breaches of the AFP Code of Conduct. Code of Conduct issues fall into one of the four categories set out in the AFP Act and referenced within the AFP Categories of Conduct Determination 2013:

- ▶ Category 1 complaints are the least serious and relate principally to customer service
- ▶ Category 2 complaints relate to minor misconduct and inappropriate or unsatisfactory behaviour
- ▶ Category 3 complaints relate to serious misconduct that does not give rise to a corruption issue
- ▶ Category 4 complaints relate to corruption, and these are referred to ACLEI.

In 2017–18, the AFP received a total of 428 complaints—a 1.6 per cent increase on the figure of 421 in the previous reporting period. The number of new alleged breaches of the AFP Code of Conduct resulting from these complaints was 682, which is 18.9 per cent lower than the corresponding figure for 2016–17 (841).

Figure 5.2 Trend in the number of complaints and alleged breaches, 2012–13 to 2017–18.



Our people

Policing is a people-centred profession. People are our greatest strength, and our results reflect the hard work and dedication that all our staff put in every day. The AFP will continue to build an innovative and capability-based workforce that is flexible and can adapt to the evolving demands of the external environment.

The AFP focuses on creating a diverse, inclusive, agile and interoperable workforce to most effectively deliver its unique services to the Australian Government and the community. The AFP also places a high priority on the health, safety and welfare of its personnel.

Workforce overview

The AFP had 6,728 staff at 30 June 2018. This figure includes:

- ▶ 3,361 police officers
- ▶ 734 protective service officers
- ▶ 2,633 professional staff.

Forty-two per cent of employees were located outside the ACT, including 248 staff overseas and 26 serving in Commonwealth external territories.

The overall gender balance has increased across all cohorts from that of last year. The proportion of women in Senior Executive Service (SES) roles has increased from 31.5 per cent to 35.4 per cent and the proportion of women in protective service officer roles has increased from 14.8 per cent to 16.5 per cent.

The AFP's natural attrition rate remained low during 2017–18 at 3.8 per cent. This figure includes:

- ▶ police officers—3.0 per cent
- ▶ protective service officers—3.9 per cent
- ▶ professional staff—4.7 per cent.

Further AFP staffing statistics are in Appendix C.



Strategic workforce planning

In 2017–18, the AFP developed and implemented a number of foundational workforce projects to support the organisation in its strategic transformation to become future ready.

The *AFP Strategic Workforce Plan 2018–2022* identifies key workforce risks over the next four years. With a focus on 10 critical job roles, it sets out the actions to be taken to mitigate workforce risks and support a sustainable workforce.

The future workforce model is a new strategy for the AFP. Its purpose is to create a more balanced workforce with a mix of core employees (ongoing) for day-to-day operations and contingent employees (non-ongoing) for additional capacity or unique capability. The model represents a shift in the AFP's traditionally reactive approach to recruiting for immediate workforce gaps and will help to position us to address future capability needs. The model was officially implemented on 12 June 2018.

Workforce security

The safety and security of AFP personnel is our priority. However, the AFP continues to operate in a heightened threat environment, and the threat to police remains high.

The AFP has implemented the Australian Government Protective Security Policy Framework (PSPF), which enables the AFP to conduct its operations in a secure environment. The Security function within the AFP, guided by the PSPF, ensures the protection and safety of staff, information and assets.

While the AFP's approach to security is reflective of the PSPF, we implement the framework's mandatory requirements through the AFP security principles of:

- ▶ security-in-depth
- ▶ intelligence-led, risk based
- ▶ unity of effort
- ▶ build a security culture
- ▶ information integrity.

The Security function's primary responsibilities are to:

- ▶ harden AFP buildings to prevent harm to AFP personnel and facilities
- ▶ protect the AFP's ICT systems
- ▶ maintain a robust personnel security vetting capability to meet the needs of the AFP and the Commonwealth
- ▶ enhance the security culture of the AFP through the development and application of clear standards and policy and governance frameworks and through increased education and awareness capabilities.

In 2017–18, the Security function actively contributed to the safety and security of our people by:

- ▶ continuing to harden key infrastructure in key locations
- ▶ advancing the AFP's vetting capability by implementing a Positive Vetting capability
- ▶ enhancing security awareness training for AFP staff.

Employment arrangements and remuneration

The AFP's employment instruments reflect the contemporary requirements of a dynamic law enforcement environment. They allow the AFP to deliver business outcomes that reflect the needs of the government while supporting robust corporate priorities and meeting legislative requirements. This flexibility places the AFP in a strong position to build upon organisational success and realise further efficiencies in managing its workforce.

As a statutory officer holder, the AFP Commissioner's remuneration arrangements are set by the Remuneration Tribunal and are publicly available on the Remuneration Tribunal website: <http://www.remtribunal.gov.au/offices/full-time-offices>.

Our enterprise agreements can be viewed on the AFP website: www.afp.gov.au

Senior Executive Service remuneration

All SES employees are engaged under an AFP SES contract. The AFP SES Remuneration Policy details and clarifies the provisions within the contract, as well as the practical application.

The SES remuneration framework is increment based. Incremental advances are subject to the AFP Commissioner's endorsement of the recommendations. During the reporting period, the AFP Commissioner delayed consideration of SES remuneration advancements pending the finalisation of the Band 1 to Band 8 AFP Enterprise Agreement 2017–2020.

SES salaries are reviewed every June. To be eligible for advancement, an SES employee must have participated in an annual Charter of Performance and have received a rating of 'fully effective' (or higher) over an entire 12-month period.

Following the annual performance cycle, advice on individual outcomes is provided to the Remuneration Committee. The Remuneration Committee, which represents all SES Band 3 employees, makes recommendations to the AFP Commissioner. Further details on AFP SES remuneration can be found at <https://www.afp.gov.au/about-us/governance-and-accountability/executive-remuneration-and-other-highly-paid-staff-reporting>.

Executive Level Enterprise Agreement

The AFP Executive Level Enterprise Agreement 2016–2019 details the terms and conditions of non-SES employees at the Executive Level. Its nominal expiry date is 9 February 2019. Future arrangements will be considered in line with broader organisational reforms during the 2018–19 financial year.

Enterprise Agreement

The AFP Enterprise Agreement covers employees classified between Band 1 and Band 8. The 2012–2016 agreement expired on 8 March 2016, and negotiations for the *AFP Enterprise Agreement 2017–2020* concluded in November 2017. On 15 December 2017, AFP staff were advised of a majority ‘yes’ vote in favour of the new agreement. The Fair Work Commission approved the agreement on 19 May 2018, and it took effect from 24 May 2018. The nominal expiry date of the new agreement is 24 May 2021.

Remuneration increases under the agreement are 3 per cent effective on commencement, 2 per cent effective 12 months from the commencement date and 1 per cent effective 24 months from the commencement date. The first 3 per cent increase took effect on 24 May 2018.

Australian Federal Police award modernisation

The *AFP Enterprise Award 2016* was approved by the Fair Work Commission on 19 August 2016. This award determines the minimum standards to be provided in the AFP employment framework.

This award was made separately from an industry award due to the unique nature of employment and duties at the AFP.

Strategic industrial reform

In 2017–18, the Industrial Relations unit undertook two workforce renewal programs. Under the renewal programs we will implement a separation program that increases turnover through the resignation of AFP employees with a supporting financial incentive. This will create recruitment pipelines to achieve diversity and inclusion targets, develop new capabilities and refresh the workforce.

Performance management

The AFP People, Safety and Security function has continued to enhance our performance management practices to help us to develop a high-performance culture within the AFP.

A revised Charter of Performance template has been implemented for all Executive Level and SES employees. The Charter of Performance includes the Commissioner’s Statement of Leadership Expectations and a mandatory collective objective to ‘proactively lead and champion a culture of diversity and inclusion and implement the recommendations of the Culture Change report and the *Cultural Reform–Diversity and Inclusion Strategy 2016–2026* in collaboration with colleagues’.

Performance Development Agreements for all AFP leaders below the Executive Level also now include a mandatory critical objective to maintain respectful and healthy workplaces underpinned by continuous performance conversations and effective people management.

Recruitment

Through the AFP's Future Ready Office, a number of activities were identified to improve the efficiency of our recruitment processes and the experience of users. The overall recruitment reform goal is to reduce recruitment process time frames by 50 per cent.

A number of 'quick wins' have been implemented, including delegation changes and updated panel training. The AFP is also implementing a new recruitment system, which will be launched in October 2018. The new system will improve time frames through automation and streamlining of current processes. It will emphasise improved candidate management, better reporting requirements and the ability to accurately track each recruitment process and candidate.

A change management framework is also being developed to assist with the transition from the current recruitment system to the new one.

Diversity and inclusion

In 2017–18, the Reform, Culture and Standards portfolio implemented several major initiatives to progress diversity and inclusion within the AFP. These initiatives included:

- ▶ development and launch of the AFP *Innovate Reconciliation Action Plan 2018–2020*
- ▶ development and implementation of a capability to capture and report on participation by members identifying as part of the lesbian, gay, bisexual, transgender and intersex (LGBTI) community in the AFP's workforce
- ▶ launch of the AFP's virtual Culturally and Linguistically Diverse (CALD) Network.



The AFP continues to work closely with peak governing bodies for the majority diversity groups and undertakes benchmarking exercises to review progress towards achieving the objectives and targets set out in the *AFP Cultural Reform—Diversity and Inclusion Strategy 2016–2026*.

The AFP continues to support five diversity networks:

- ▶ MION
- ▶ Gay and Lesbian Liaison Officers Network
- ▶ AFP Ability Advisory Network
- ▶ National Women’s Advisory Network
- ▶ CALD Network.

The networks exist primarily to support their members. They perform a vital role in providing input to strategies and initiatives that directly affect their members.

Disability reporting

The AFP will contribute to a high-level two-yearly report against the outcome areas of the *National Disability Strategy 2010–2020*, which sets out the national policy framework to improve the lives of people with disability.

Work health, safety and rehabilitation

AFP Organisational Health has responsibility to all AFP staff for injury prevention, radiation safety, emergency procedures and injury management. Its emphasis is on prevention, early access and rehabilitation to support enhanced law enforcement.

In 2017–18, the Work Health, Safety and Rehabilitation team conducted 17 audits nationally to ensure due diligence and compliance with the Work Health and Safety Act and associated regulations. It also found that the AFP was compliant with four national radiation inspections undertaken by the Australian Radiation Protection and Nuclear Safety Agency in accordance with the *Australian Radiation Protection and Nuclear Safety Act 1998* (Cth).

During 2017–18, national training, evacuation exercises and inspections were undertaken at AFP facilities to ensure that our emergency management arrangements were compliant with the Work Health and Safety Act.

Triage Team

The AFP Organisational Health Triage Team, established in July 2017, provides a central point of contact for health-related advice to AFP members, former members and their families. The team gives members immediate referral, advice and action on their health issues. It comprises subject-matter experts, including a registered nurse, a mental health practitioner, a case manager and senior administrative staff to assist with the complexities of health administration.

Since its inception, the Triage Team has assisted members and provided support and guidance on a range of services, including medical support and personal and workplace

stress. In addition to supporting individuals, the team advises and guides supervisors on how they can support a member.

The Triage Team has become a critical function within the Organisational Health unit. It ensures that the best possible support is provided to our members and their families.

Work health and safety legislative reporting requirements

During 2017–18, the AFP notified Comcare of 28 incidents under section 38 of the Work Health and Safety Act. The AFP did not receive any provisional improvement notices.

There was one formal investigation by Comcare. No notices were issued pursuant to Part 10 of the Work Health and Safety Act.

Learning and development

Learning and Development (L&D), part of the Workforce and Development portfolio, is responsible for the development, delivery, coordination and evaluation of training within the AFP. Our training is primarily conducted at the AFP College in Barton, ACT. L&D also facilitates training at the AFP Majura Complex, AFP Headquarters and all AFP state offices. This includes training for ACT Policing. The JCLEC, located in Semarang, Indonesia, is functionally aligned to L&D.

To meet the demands of today and the challenges of the future, L&D is committed to building and maintaining an inclusive organisational learning culture that supports capability development not only within the AFP but also across the broader law enforcement sector. We achieve this by delivering high-quality tailored training to meet both operational and corporate requirements as well as through partnerships within the public and private sectors, including industry and academia. The AFP Learning Strategy remains the guiding document for L&D activities. It outlines a principles-based approach to learning, including the premise that learning is critical for success.



Investigations and Specialist Training staff with participants of Detective Training Program 1/2018 at the AFP College, Barton.

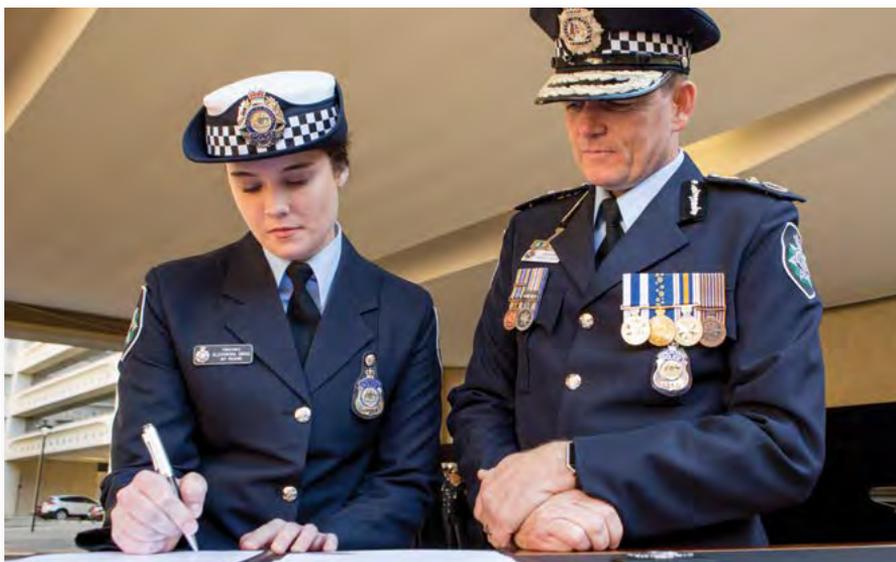
AFP College security upgrade

During 2017–18, the AFP College underwent a major physical security upgrade as part of the Facilities Security Enhancement Project. The AFP College delivers all recruit training for members of the AFP, including FPDPs, PSOPs and Federal Police Transition Programs (FPTPs), as well as new member induction programs for all staff.

Recruit training

In 2017–18, L&D graduated three recruit programs including two PSOPs with a total of 45 graduates and an FPDP with 19 graduates. Five more programs (three FPDP and two PSOP) will graduate in 2018. PSOP graduates are deployed to various locations within Australia. FPDP graduates are deployed to ACT Policing (Outcome 2), with the exception of one FPDP cohort, who will be deployed to state offices).

L&D is undertaking a major project to review and reform the delivery of recruit training across all programs. The Recruit Transformation Taskforce will ensure that recruits of the future have an enhanced experience through access to contemporary adult education methodology, including the use of technology, which is agile and flexible enough to adapt to the emerging needs of law enforcement.



A graduating recruit is officially sworn into the AFP.

Business training support

L&D delivers a number of flagship programs for the AFP. One of these is the Management of Serious Crime Program (MOSC), which includes an international MOSC at JCLEC and the Commonwealth Agencies MOSC Program. Participants attend these programs from state and territory policing agencies and Commonwealth agencies with linkages to national security and law enforcement. L&D also delivered the second Senior Investigating Officer Program in 2017.

L&D delivers the Team Leader Development Program (TLDP) to both emerging and current team leaders in the AFP. This highly successful program is delivered using a diverse range of methodologies including discussion, executive leadership panel, action learning centres, reflective practice writing, online learning, simulated training (through the use of technology) and an embedding project in the workplace. In 2017–18, the TLDP was delivered to over 100 members, including through a pilot program for part-time delivery to accommodate members who work flexibly. In 2017, L&D collaborated with the Australian Institute of Police Management to develop the Future Leaders Program (FLP), a 12-month development program attended by all newly promoted Executive Level employees (coordinators/superintendents).

The Detective Training Program (DTP) has further evolved its blended delivery model, which now includes online learning, the Investigative Interviewing Program, two residential phases, an assessment centre, and on-the-job training in the workplace, supported by a workbook. The DTP also provides a range of simulated and experiential learning activities to test the investigative mindset of investigators, to challenge their decision-making and to ensure they are role models in investigative teams. The AFP hosted the inaugural detective training forum, with attendees from all state and territory police jurisdictions. The forum's aim is to ensure that agencies are adopting best practice in this important field of policing.

Interagency training support

L&D continues to support the delivery of the ABF Investigations Program at the AFP College. In the reporting period the AFP received endorsement to award a Certificate IV in Government Investigations to the graduates of the 2017 program. This qualification has increased the formal qualifications the AFP can award to a total of nine, across disciplines including policing, investigations, surveillance, intelligence, close personal protection and search and rescue. The new qualification further enhances the AFP's reputation as a leader in developing and delivering training in the field of investigations.

The AFP and the ABF are conducting a joint scoping study in relation to the establishment of a Commonwealth Law Enforcement College. We envisage a collaborative partnership model for the delivery of training and development initiatives across a range of agencies, focusing on investigations and operational safety. Both the AFP and the ABF deliver training throughout Australia and to build capacity internationally. A shared training platform therefore offers a unique opportunity to deliver this capability more efficiently and innovatively in the future.

Investigations, Standards and Practice

In July 2017, the AFP Investigations, Standards and Practice (ISP) team transferred to L&D. This enables closer alignment and collaboration between investigations and recruit training and the teams responsible for providing quality assurance of investigations. This move will promote successful investigative outcomes (including harnessing best practice to ensure standardisation across the agency) and also ensure the efficient use of investigative and operational resources.

A Senior Executive Advisory Group (SEAG) chaired by the National Manager Workforce and Development, with several national managers representing operational areas, was established to provide strategic advice and guidance to ISP in relation to key priority areas and projects, as well as championing ISP within the organisation. ISP also provides secretariat support to the National Detective Designation Panel, which awards designation to members who have completed the Detective Training Continuum or who meet the national guideline for exemption from elements of the continuum.

Operational Safety and Practice

The Operational Safety and Practice (OSP) team coordinates, delivers, evaluates and manages the various curricula for a number of training programs, to ensure the AFP meets its obligations under the AFP Commissioner's Order on Operational Safety. OSP is also responsible for coordinating and training the AFP's many part-time operational safety trainers, who supplement the L&D workforce to deliver operational safety training for sworn members. OSP also contributes to national bodies including the Australia New Zealand Policing Advisory Agency and the Australia–New Zealand Counter-Terrorism Committee.

Financial management

Procurement

The AFP applies the Commonwealth Procurement Rules when procuring property and services, including consultancies. The rules are applied to activities through the Commissioner's Financial Instructions with supporting guidelines.

The AFP has a centralised procurement and contracting team that actively promotes and focuses on compliance. In 2017–18, the AFP conducted tender processes to establish a translator and interpreter panel arrangement, a police services model review, supply of recruitment testing centre services, a capability support services panel, and supply of cameras and related equipment.

Information on the value of contracts, including consultancies, is available at www.tenders.gov.au. The Senate order on departmental and agency contracts is available on the AFP's website via a link to AusTender.

In 2017–18, the AFP entered into four contracts of \$100,000 or more which did not provide for the Auditor-General to have access to the contractor's premises. These contracts are detailed in Table 5.2.

Table 5.2: Contracts without Auditor-General access, 2017–18

Name of vendor	Purpose of contract	Value of contract	Reason
Red Hat Asia-Pacific Pty Ltd	Supply of software licences	\$291,045	The AFP accepted the vendor terms.
Tru Energy Pty Ltd	Supply of electricity	\$206,233	The AFP accepted the vendor terms.
Telstra	Supply of radio equipment	\$223,513	The AFP accepted the vendor terms.
AKIPS Pty Ltd	Supply of software subscription	\$103,125	The AFP accepted the vendor terms.

During 2017–18, the AFP entered into 33 new consultancy contracts. The total actual expenditure on new consultancy contracts in 2017–18 was \$11,361,820 (GST included). In addition, 11 ongoing consultancy contracts were active in 2017–18, involving a total actual expenditure of \$375,658 (GST included). Annual reports contain information about actual expenditure on contracts for consultancies; information on the value of individual contracts and consultancies is available on the AusTender website.

Prior to engaging consultants, the AFP takes into account the skills and resources required for the task, the skills available internally and the cost-effectiveness of engaging external expertise. The decisions to engage consultants were made in accordance with the PGPA Act, the Commonwealth Procurement Rules and relevant internal policies.

Table 5.3: Expenditure on consultants, 2015–16 to 2017–18

	2015–16	2016–17	2017–18
New contracts entered into	31	25	33
Total expenditure (new and ongoing contracts)	\$1,630,719	\$1,877,274	\$11,737,478

Exempt contracts

During 2017–18, the AFP did not publish on AusTender the details of 42 contracts, with a total value of \$27,684,139 as the details would disclose exempt matters under the FOI Act.

Procurement initiative to support small business

The AFP supports small business participation in the Australian Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website at www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts.

The AFP's procurement practices support small business enterprises by promoting, where possible, use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000, encouraging the use of credit card payments for procurements valued under \$10,000 and setting the default terms of payment for small business through the accounts payable system to seven calendar days.

The AFP recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury website www.treasury.gov.au.

Discretionary grants

Information on grants that the AFP awarded during the period 1 July 2016 to 30 June 2017 is available at www.afp.gov.au/about-us/governance-and-accountability/grants-awarded-afp.



6 Financial statements





INDEPENDENT AUDITOR'S REPORT

To the Minister for Home Affairs

Opinion

In my opinion, the financial statements of the Australian Federal Police for the year ended 30 June 2018:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Australian Federal Police as at 30 June 2018 and its financial performance and cash flows for the year then ended.

The financial statements of the Australian Federal Police, which I have audited, comprise the following statements as at 30 June 2018 and for the year then ended:

- Statement by the Commissioner and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Australian Federal Police in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants to the extent that they are not in conflict with the Auditor-General Act 1997 (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The Accountable Authority is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2018 but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Australian Federal Police the Commissioner is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under that Act. The Commissioner is also responsible for such internal control as the Commissioner determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner is responsible for assessing the Australian Federal Police's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Commissioner is also responsible for disclosing matters related to going concern as applicable and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Clea Lewis
Executive Director
Delegate of the Auditor-General
Canberra
5 October 2018

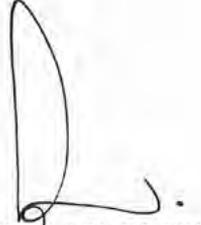
Table of contents

Statement by the Commissioner and Chief Financial Officer	151
Departmental financial statements	
Statement of comprehensive income	152
Statement of financial position	153
Statement of changes in equity	154
Cash flow statement	155
Administered financial schedules	
Administered schedule of comprehensive income	156
Administered schedule of assets and liabilities	157
Administered reconciliation schedule	157
Administered cash flow statement	158
Notes to and forming part of the financial statements	
Overview	159
Events after the reporting period	160
Note 1.1: Expenses	161
Note 1.2: Own-source revenue and gains	163
Note 2.1: Financial assets	164
Note 2.2: Non-financial assets	165
Note 2.3: Payables	168
Note 2.4: Other provisions	168
Note 3.1: Employee provisions	169
Note 3.2: Key management personnel remuneration	170
Note 3.3: Related party disclosures	170
Note 3.4: Prior year restatement	170
Note 4.1: Appropriations	171
Note 4.2: Net cash appropriation arrangements	173
Note 4.3: Special accounts	174
Note 4.4: Contingent liabilities and contingent assets	175
Note 5.1: Budget reporting and major budget variances	176

Statement by the Commissioner and the Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2018 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Federal Police (AFP) will be able to pay its debts as and when they fall due.



Andrew Colvin APM OAM
Commissioner
5 October 2018



Peter Gunning
Chief Financial Officer
5 October 2018

Primary statements

Statement of comprehensive income

for the period ended 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
NET COST OF SERVICES					
Expenses					
Employee benefits	1.1A	877,165	850,807	852,496	24,669
Suppliers	1.1B	463,594	442,509	420,867	42,727
Depreciation and amortisation	2.2A	83,819	88,780	101,756	(17,937)
Finance costs		541	391	-	541
Write-down and impairment of assets	1.1C	2,743	3,048	-	2,743
Grants		1,679	2,093	-	1,679
Other expenses		837	948	-	837
Total expenses		1,430,378	1,388,576	1,375,119	55,259
Own-source income					
Own-source revenue					
Sale of goods and rendering of services	1.2A	273,693	271,954	256,001	17,692
Other revenue	1.2A	1,361	3,797	271	1,090
Total own-source revenue		275,054	275,751	256,272	18,782
Gains					
Resources received free of charge	1.2B	5,916	5,555	5,640	276
Sales of assets	1.2B	900	219	-	900
Other gains	1.2B	3,241	1,445	-	3,241
Total gains		10,057	7,219	5,640	4,417
Total own-source income		285,111	282,970	261,912	23,199
Net cost of services		(1,145,267)	(1,105,606)	(1,113,207)	(32,060)
Revenue from government	4.1A	1,016,001	1,021,343	1,017,013	(1,012)
Deficit attributable to the Australian Government		(129,266)	(84,263)	(96,194)	(33,072)
Other comprehensive income					
Items not subject to subsequent reclassification to net cost of services					
Revaluation of property, plant and equipment ⁴		717	30,828	-	717
Total other comprehensive income		717	30,828	-	717
Total comprehensive loss attributable to the Australian Government		(128,549)	(53,435)	(96,194)	(32,355)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2016-17 figures. Refer to Note 3.4.

² The original budget is from the 2017-18 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2017-18. Explanation of major variances are presented in Note 5.1.

⁴ Amounts impacting the revaluation reserve in the current year reflect timing delays in processing entries for 30 June 2017.

Statement of financial position

as at 30 June 2018	Notes	Actual 2018 \$'000	Actual 2017 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2.1A	15,595	17,702	8,617	6,978
Trade and other receivables	2.1B	279,463	303,125	207,183	72,280
Accrued revenue		6,421	5,071	6,623	(202)
Total financial assets		301,479	325,898	222,423	79,056
Non-financial assets					
Land and buildings	2.2A	336,469	349,387	384,333	(47,864)
Property, plant and equipment	2.2A	217,839	138,433	120,033	97,806
Intangibles	2.2A	63,808	38,409	78,019	(14,211)
Inventories		6,092	5,652	6,771	(679)
Prepayments		23,980	23,011	21,729	2,251
Total non-financial assets		648,188	554,892	610,885	37,303
Total assets		949,667	880,790	833,308	116,359
LIABILITIES					
Payables					
Suppliers	2.3A	120,655	85,059	52,651	68,004
Other payables	2.3B	26,134	20,645	17,715	8,419
Total payables		146,789	105,704	70,366	76,423
Provisions					
Employee provisions	3.1	322,154	311,336	272,334	49,820
Other provisions	2.4	31,425	31,648	18,871	12,554
Total provisions		353,579	342,984	291,205	62,374
Total liabilities		500,368	448,688	361,571	138,797
Net assets		449,299	432,102	471,737	(22,438)
EQUITY					
Contributed equity		1,201,250	1,055,504	1,203,064	(1,814)
Reserves		124,471	123,754	92,927	31,544
Accumulated deficit		(876,422)	(747,156)	(824,254)	(52,168)
Total equity		449,299	432,102	471,737	(22,438)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2016-17 figures. Refer to Note 3.4.

² The original budget is from the 2017-18 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2017-18. Explanation of major variances are presented in Note 5.1.

Primary statements

Statement of changes in equity

for the year ended 30 June 2018

	Actual 2018 \$'000	Actual 2017 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
CONTRIBUTED EQUITY				
Opening balance carried forward from previous period	1,055,504	951,783	1,071,004	(15,500)
Transactions with owners				
<i>Distributions to owners</i>				
Returns of contributed equity	(4,091)	(15,500)	-	(4,091)
<i>Contributions by owners</i>				
Equity injection - appropriations	75,323	89,649	57,546	17,777
Departmental capital budget ⁴	74,514	29,572	74,514	-
Total transactions with owners	145,746	103,721	132,060	13,686
Closing balance as at 30 June	1,201,250	1,055,504	1,203,064	(1,814)
RETAINED EARNINGS				
Opening balance				
Opening balance carried forward from previous period	(747,156)	(642,778)	-	-
Adjustment for prior year restatement	-	(20,115)	-	-
Adjusted opening balance	(747,156)	(662,893)	(728,060)	(19,096)
Comprehensive income				
(Deficit) for the period	(129,266)	(84,263)	(96,194)	(33,072)
Total comprehensive income	(129,266)	(84,263)	(96,194)	(33,072)
Closing balance as at 30 June	(876,422)	(747,156)	(824,254)	(52,168)
ASSET REVALUATION RESERVE				
Opening balance carried forward from previous period	123,754	92,926	92,927	30,827
Comprehensive income				
Other comprehensive income	717	30,828	-	717
Total comprehensive income⁵	717	30,828	-	717
Closing balance as at 30 June	124,471	123,754	92,927	31,544
TOTAL EQUITY	449,299	432,102	471,737	(22,438)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2016-17 figures. Refer to Note 3.4.

² The original budget is from the 2017-18 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2017-18. Explanation of major variances are presented in Note 5.1.

⁴ Decisions of Government provided the AFP \$12.318m in funding at 2017-18 MYEFO through a departmental capital offset.

Under AASB Interpretation 1038 – Contributions by Owners Made to Wholly-Owned Public Sector Entities this reallocation constitutes a redesignation of equity to operating revenue, which cannot occur, and thus the funding remains an equity injection in the financial statements.

⁵ Amounts impacting the revaluation reserve in the current year reflect timing delays in processing entries for 30 June 2017.

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Cash flow statement

for the period ended 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000	Original Budget ¹ \$'000	Variance ² \$'000
Operating activities					
<i>Cash received</i>					
Appropriations		1,300,468	1,285,508	1,335,788	(35,320)
Sales of goods and rendering of services		274,304	269,366	255,902	18,402
Net GST received		41,416	33,841	27,645	13,771
Other		31,551	-	271	31,280
Total cash received		1,647,739	1,588,715	1,619,606	28,133
<i>Cash used</i>					
Employees		872,232	851,406	890,108	(17,876)
Suppliers		487,480	461,555	422,563	64,917
Section 74 receipts transferred to Official public account (OPA)		286,747	275,958	261,834	24,913
Grant payments		1,679	2,093	-	1,679
Total cash used		1,648,138	1,591,012	1,574,505	73,633
Net cash from/ (used by) operating activities		(399)	(2,297)	45,101	(45,500)
Investing activities					
<i>Cash received</i>					
Proceeds from sale of property, plant and equipment		957	264	-	957
Total cash received		957	264	-	957
<i>Cash used</i>					
Purchase of property, plant and equipment		100,107	46,043	183,215	(83,108)
Purchase of land and buildings		24,443	34,898	-	24,443
Purchase of intangibles		34,461	8,962	-	34,461
Total cash used		159,011	89,903	183,215	(24,204)
Net cash (used by) investing activities		(158,054)	(89,639)	(183,215)	25,161
Financing activities					
<i>Cash received</i>					
Contributed equity		98,241	56,448	138,114	(39,873)
Departmental capital budget funding		58,105	29,572	-	58,105
Total cash received		156,346	86,020	138,114	18,232
Net cash from financing activities		156,346	86,020	138,114	18,232
Net increase in cash held		(2,107)	(5,916)	-	(2,107)
Cash and cash equivalents at the beginning of the period		17,702	23,618	8,617	9,085
Cash and cash equivalents at the end of the period	2.1A	15,595	17,702	8,617	6,978

The above statement should be read in conjunction with the accompanying notes.

¹ The original budget is from the 2017–18 Portfolio Budget Statement (PBS) (unaudited).² The variance between the actual and original budgeted amount for 2017–18. Explanation of major variances are presented in Note 5.1.

Administered primary schedules

Administered schedule of comprehensive income

for the year ended 30 June 2018

	Actual 2018 \$'000	Actual 2017 \$'000	Original Budget ¹ \$'000	Variance ² \$'000
NET COST OF SERVICES				
Expenses				
Consultants and contractors	212	13	-	-
General and office	766	1,894	-	-
Grants	293	-	-	-
Impairment of trade and other receivables	-	10	-	-
Infrastructure for other jurisdictions	750	750	-	-
Operational expenses	212	211	-	-
Police equipment for other jurisdictions ³	10,549	6,510	-	-
Training	2,153	1,642	-	-
Travel	1,138	714	-	-
Total expenses	16,073	11,744	16,077	(4)
Income				
Non-taxation revenue				
Court fees, fines and penalties	331	165	-	-
Exhibits and seizures	90	386	-	-
Other income	4	23	-	-
Total non-taxation revenue	425	574	-	425
Net cost of services	15,648	11,170	16,077	(429)
Total comprehensive deficit	(15,648)	(11,170)	(16,077)	429

The above schedule should be read in conjunction with the accompanying notes.

¹ The original budget is from the 2017-18 Portfolio Budget Statement (PBS) (unaudited).

² The variance between the actual and original budgeted amount for 2017-18. Explanation of major variances are presented in Note 5.1.

³ Police equipment for other jurisdictions is for amounts gifted to international police jurisdictions which are not cost recovered.

Administered schedule of assets and liabilities

as at 30 June 2018	Actual 2018 \$'000	Actual 2017 \$'000	Original Budget ¹ \$'000	Variance ² \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	644	-	4	640
Receivable - GST from Australian Taxation Office	17	6	-	17
Receivable - Other	114	-	-	114
Receivable - court fees, fines and penalties	1,370	1,465	125	1,245
Less: impairment allowance (court fees, fines and penalties)	(1,290)	(1,358)	-	(1,290)
Total financial assets	855	113	129	726
Non-financial assets				
Prepayments	112	-	-	112
Total non-financial assets	112	-	-	112
Total assets administered on behalf of government	967	113	129	838
Liabilities				
Payables				
Suppliers ³	1,310	1,089	527	783
Other payables	-	10	-	-
Total liabilities administered on behalf of government	1,310	1,099	527	783
Net liabilities	(343)	(986)	(398)	55

The above schedule should be read in conjunction with the accompanying notes. All assets and liabilities are related to Outcome 1.

¹ The original budget is from the 2017–18 Portfolio Budget Statement (PBS) (unaudited).

² The variance between the actual and original budgeted amount for 2017–18. Explanation of major variances are presented in Note 5.1.

³ Settlement is usually made within 7 days.

Administered reconciliation schedule

for the year ended 30 June 2018	Actual 2018 \$'000	Actual 2017 \$'000
Opening net liabilities as at 1 July	(986)	(1,126)
Net cost of services		
Income	425	574
Expenses	(16,073)	(11,744)
Total net cost of services	(15,648)	(11,170)
Transfers (to)/from Australian Government		
Appropriation transfers through OPA:		
Annual appropriations	20,318	13,346
Transfers to OPA	(4,028)	(2,036)
Total transfers (to)/from Australian Government	16,290	11,310
Closing net liabilities as at 30 June	(343)	(986)

The above schedule should be read in conjunction with the accompanying notes.

Administered primary schedules

Administered cash flow statement

for the year ended 30 June 2018

	Actual 2018 \$'000	Actual 2017 \$'000	Original Budget ¹ \$'000	Variance ² \$'000
Operating activities				
<i>Cash received</i>				
Court fees, fines and penalties	244	147	-	-
Exhibits and seizures	90	382	-	-
Other – income	4	23	-	-
Net GST received	-	20	96	-
Total cash received	338	572	96	242
<i>Cash used</i>				
Suppliers	15,861	11,886	16,173	-
Prepayments	112	-	-	-
GST paid	11	-	-	-
Total cash used	15,984	11,886	16,173	(189)
Net cash flows from / (used by) operating activities	(15,646)	(11,314)	(16,077)	431
Net (decrease) in cash held by the Commonwealth	(15,646)	(11,314)	(16,077)	431
Cash at the beginning of the reporting period	-	4	4	(4)
<i>Cash from Official Public Account</i>				
Appropriations	20,318	13,346	16,077	4,241
<i>Cash to Official Public Account</i>				
Appropriations	(4,024)	(1,867)	-	(4,024)
GST	(4)	(169)	-	(4)
Cash at the end of the reporting period	644	-	4	640

The above schedule should be read in conjunction with accompanying notes. All assets and liabilities are related to Outcome 1.

¹ The original budget is from the 2017–18 Portfolio Budget Statement (PBS) (unaudited). The budget statement information has been reclassified and presented on a consistent basis with the corresponding financial statement.

² The variance between the actual and original budgeted amount for 2017–18. Explanation of major variances are presented in Note 5.1.

Overview

Basis of preparation of the financial statements

The financial statements are general-purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- *Public Governance Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*; and
- Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FRR, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the AFP or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Significant accounting judgements and estimates

The AFP has made estimates and judgements with respect to the methods used to assess the fair value of assets and the calculation of employee provisions. All assets and liabilities are held at fair value. These estimates and judgements are outlined at the relevant note.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting period.

New Australian Accounting Standards

Adoption of new Australian Accounting Standards requirements

All new and revised standards and interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the AFP's financial statements.

No accounting standard has been adopted earlier than the application date as stated in the standard.

Taxation

The AFP is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).

Revenues, expenses, assets and liabilities are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

Notes to and forming part of the financial statements

Overview (con't)

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards. Administered items are presented on shaded blue background.

Administered cash transfers to and from the Official Public Account

Revenue collected by the AFP for use by the government rather than the AFP is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under parliamentary appropriation on behalf of the government. These transfers to and from the OPA are adjustments to the administered cash held by the AFP on behalf of the government and reported as such in the administered cash flow statement and in the administered reconciliation schedule.

Events after the reporting period

Departmental

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Administered

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Note 1.1: Expenses

Note 1.1A: Employee benefits expense

	2018 \$'000	2017 ¹ \$'000
Wages and salaries	607,718	600,429
Superannuation:		
Defined contribution plans	49,599	50,804
Defined benefit plans	68,494	67,956
Leave and other entitlements	131,944	119,321
Separation and redundancies	7,924	654
Other employee expenses	11,486	11,643
Total employee benefits expense	877,165	850,807

¹ Adjusted 2016-17 figures. Refer to Note 3.4.

Note 1.1A: Accounting policy

The AFP's employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or a nominated superannuation fund. The CSS and PSS are defined benefit plans for the Australian Government. All other superannuation funds are accumulation plans.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The AFP makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The AFP accounts for the contributions as if they were contributions to defined contribution plans.

Note 1.1B: Supplier expenses

	2018 \$'000	2017 \$'000
Supplier expenses – goods and services		
Operational	44,969	58,310
Consultant and contractor services	58,756	46,810
Staff and recruitment	41,653	46,293
Communications and IT	48,630	41,439
Building and accommodation	40,172	35,675
Travel	37,847	29,174
General and office	29,003	27,683
Training	13,466	10,246
Vehicle expenses	2,751	4,689
Postage and freight	2,589	3,377
Total supplier expenses – goods and services	319,836	303,696

Notes to and forming part of the financial statements

Note 1.1: Expenses (cont.)**Note 1.1B: Supplier expenses (cont.)**

	2018	2017
Supplier expenses – other	\$'000	\$'000
Operating lease rentals in connection with external parties:		
Minimum lease payments	105,579	103,240
Contingent rent expenses	251	197
Workers compensation expenses	37,924	35,368
Other supplier expenses	4	8
Total supplier expenses - other	143,758	138,813
Total supplier expenses	463,594	442,509

Note 1.1B: Accounting policy*Recognition and measurement of operating lease payments*

Payments are expensed on the basis which is representative of the pattern of benefits derived from the leased assets. Lease incentives are recognised as other payables and amortised over the period of the lease on a straight line basis.

Leasing commitments*Operating lease commitments*

The AFP leases a number of properties and motor vehicles under operating leases. The majority of leases are in their initial term, with an option to renew after that date. Property lease payments increase annually in accordance with the relevant lease agreement, which is either fixed rate or CPI.

	2018	2017
As at 30 June, the future minimum lease payments under non-cancellable leases were	\$'000	\$'000
Less than one year	99,248	88,744
Between one and five years	293,378	297,450
More than five years	166,491	213,599
Total operating lease commitments	559,117	599,793

Note 1.1C: Write-down and impairment of assets

	2018	2017
	\$'000	\$'000
Impairment from trade and other receivables	77	42
Impairment of buildings	1,473	666
Impairment of property, plant and equipment	506	1,072
Impairment of intangibles	687	1,268
Total write-down and impairment of assets	2,743	3,048

Note 1.1D: Regulatory charging summary

The AFP undertakes national police checks that are cost-recovered, as outlined in Schedule 2 of the *Australian Federal Police Regulations 1979*. Expenses and income associated with this activity is outlined below.

	2018	2017
	\$'000	\$'000
Expenses – departmental	19,305	18,983
Revenue – departmental	25,912	23,405

Note 1.2: Own-source revenue and gains

Note 1.2A: Revenue

	2018	2017
	\$'000	\$'000
Sale of goods	39	712
Rendering of services:		
Police services	232,643	233,517
Other services	41,011	37,725
Other revenue	1,361	3,797
Total revenue	275,054	275,751

Note 1.2A: Accounting policy

Revenue from the rendering of services is recognised by reference to the stage of completion of contracts at the reporting date.

The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the AFP.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Note 1.2B: Gains

	2018	2017
	\$'000	\$'000
Resources received free of charge	5,916	5,555
Sales of assets:		
Proceeds from sales of assets	957	264
Carrying value of assets sold	(57)	(45)
Other gains	3,241	1,445
Total gains	10,057	7,219

Note 1.2B: Accounting policy

Resources Received Free of Charge

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge includes Australian National Audit Office audit fees of \$0.245m (2017: \$0.245m) for AFP's financial statements and \$5.624m (2017: \$5.310m) for ACT Policing facilities and legal services received free of charge from the ACT Government.

Contributions of assets at no cost of acquisition, or for nominal consideration, are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another government entity as a consequence of a restructuring of administrative arrangements.

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Notes to and forming part of the financial statements

Note 2.1: Financial assets**Note 2.1A: Cash and cash equivalents**

	2018	2017
	\$'000	\$'000
Cash in special accounts	4,655	4,803
Cash on hand	99	106
Cash at bank	10,841	12,793
Total cash and cash equivalents	15,595	17,702

Note 2.1B: Trade and other receivables

	2018	2017
	\$'000	\$'000
Goods and services receivable	\$'000	\$'000
- goods and services receivable	16,857	14,387
Total goods and services receivables	16,857	14,387
Appropriation receivable		
- for ordinary services	201,487	187,389
- for equity projects	47,043	69,961
- for special accounts	6,500	6,000
Total appropriations receivables	255,030	263,350
Other receivables		
- GST receivable from the Australian Taxation Office	7,686	4,729
- Comcare	374	20,998
- other	66	136
Total other receivables	8,126	25,863
Total trade and other receivables (gross)	280,013	303,600
Less impairment allowance for goods and services	(550)	(475)
Total trade and other receivables (net)	279,463	303,125

Note 2.1B: Accounting policy

All trade receivables are expected to be recovered in less than 12 months. Credit terms for goods and services are 30 days (2017: 30 days). Collectability of debts is reviewed at the end of the reporting period. Allowances for impairment are made when collectability of the debt is no longer probable.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments and that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest rate method.

Receivables for goods and services, are recognised at the nominal amounts due, less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

	2018	2017
	\$'000	\$'000
Reconciliation of the impairment allowance		
Opening balance, 1 July 2017	475	557
Amounts written off	-	(9)
Amounts recovered and reversed	(2)	(115)
Increase/(decrease) recognised in net cost of services	77	42
Closing balance, 30 June 2018	550	475

Note 2.2: Non-financial assets

Note 2.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings \$'000	Leasehold improve- ments \$'000	Total land and buildings \$'000	Other property, plant and equipment \$'000	Intangible assets - computer software \$'000	Total non- financial assets \$'000
<i>As at 1 July 2017</i>							
Gross book value	2,400	136,409	210,578	349,387	138,433	111,110	598,930
Accumulated depreciation and amortisation	-	-	-	-	-	(72,701)	(72,701)
Net book value, 1 July 2017	2,400	136,409	210,578	349,387	138,433	38,409	526,229
<i>Additions:</i>							
Purchased or internally developed	-	3,291	17,655	20,946	127,405	29,397	177,748
Revaluations recognised in other comprehensive income	-	-	647	647	34	-	681
Write-down and impairment recognised in net cost of services	-	(1,473)	-	(1,473)	(506)	(687)	(2,666)
Depreciation/amortisation	-	(4,859)	(29,356)	(34,215)	(40,602)	(9,002)	(83,819)
Reclassifications	-	(128)	1,305	1,177	(6,868)	5,691	-
<i>Disposals:</i>							
Other	-	-	-	-	(57)	-	(57)
Net book value, 30 June 2018	2,400	133,240	200,829	336,469	217,839	63,808	618,116
<i>Net book value as of 30 June 2018 represented by:</i>							
Gross book value	2,400	138,100	229,362	369,862	258,349	138,976	767,187
Accumulated depreciation and amortisation	-	(4,860)	(28,533)	(33,393)	(40,510)	(75,168)	(149,071)
Net book value, 30 June 2018	2,400	133,240	200,829	336,469	217,839	63,808	618,116

The carrying amount of computer software included purchase of software of \$23.7m and internally generated software of \$40.1m.

Capital commitments

The AFP has entered into contracts to purchase equipment, intangibles, leasehold fit-outs and buildings that are currently under construction. Some contracts contain a termination clause as part of the contract, the value of these contracts for 2018: \$29.607m (2017: \$49.739m). At 30 June, the AFP intends to fully exercise these contracts.

	2018 \$'000	2017 \$'000
As at 30 June, the future minimum payments under non-cancellable contracts were:		
Less than one year	42,737	48,955
Between one and five years	1,548	19,030
More than five years	-	-
Total capital commitments	44,285	67,985

Note 2.2A: Accounting policy

Assets under construction (AUC)

AUC are included in all asset classes in 2.2A except for Land. Assets under construction (AUC) are initially recorded at acquisition cost. They include expenditure to date on various capital projects carried as AUC. AUC projects are reviewed annually for indicators of impairment and all AUC older than 12 months at reporting date is externally revalued to fair value. Prior to rollout into service, the accumulated AUC balance is reviewed to ensure accurate capitalisation of built and purchased assets.

Note 2.2: Non-financial assets (con't)

Note 2.2A: Accounting policy (con't)

Make good

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to make good provisions in property leases taken up by the AFP where there exists an obligation to restore the property to its original condition. These costs are included in the value of the AFP's leasehold improvements with a corresponding provision for the make good recognised.

Asset recognition thresholds

Assets are recorded at cost on acquisition, except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Asset class	Threshold
Land and buildings	\$5,000
Property, plant and equipment	\$2,000
Intangibles - purchased	\$10,000
Intangibles - internally developed	\$25,000

All asset purchases below these thresholds are expensed in the year of acquisition. Where assets cost less than the threshold and form part of a group of similar items which are significant in total, they are recognised as assets.

Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The AFP has adopted a 3 year revaluation cycle. The AFP tests the valuation model as an internal management review at least once every 12 months to ensure there are no material differences. The last formal revaluation occurred at 30 June 2017.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation surplus except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Revaluations were conducted by registered and independent valuers at 30 June 2017 by Australian Valuation Services. Revaluations were conducted on all tangible assets, including those under construction.

The AFP tests the valuation model as an internal management review at least once every 12 months to ensure there are no material differences.

Key judgement

The valuation basis for each class of assets is as follows:

- land – fair value based on market value of similar properties
- buildings and leasehold improvements – depreciated replacement cost due to no active market for custom-built assets
- other property, plant and equipment – measured at market selling price for assets unless a market does not exist. In these circumstances depreciated replacement cost is applied.

Where possible, a market approach was used through examination of similar assets. Revaluations were conducted on the following basis:

Asset class	Valuation technique
Land	Market valuation
Buildings	Depreciation replacement cost
Leasehold improvements	Depreciation replacement cost
Property, plant & equipment	Depreciation replacement cost and market valuation

Note 2.2: Non-financial assets (con't)

Note 2.2A: Accounting policy (cont')

Impairment and derecognition

All assets were assessed for impairment at 30 June 2018. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount. Where assets were no longer used by the AFP, these have been written down during the financial year.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use.

The AFP's intangibles comprise of internally developed and externally acquired software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Depreciation and amortisation expense

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to AFP using the straight-line method of depreciation. Depreciation and amortisation rates have been applied to each class of asset based on the following useful lives:

Buildings on freehold land	10 to 40 years
Buildings on leasehold land	4 to 60 years
Leasehold improvements	15 years or lease term
Other property, plant and equipment	1 to 30 years
Software assets	2 to 20 years

Useful lives, residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future, reporting periods, as appropriate.

Software is amortised on a straight-line basis over its estimated useful life. The useful life of AFP's software is 2 to 20 years.

Inventories

Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition. Inventory held by the AFP includes uniforms and goods held for distribution.

Notes to and forming part of the financial statements

Note 2.3: Payables

Note 2.3A: Supplier payables

	2018 \$'000	2017 \$'000
Trade creditors and accruals	92,513	62,149
Operating lease rentals	28,142	22,910
Total supplier payable	120,655	85,059

Note 2.3B: Other payables

	2018 \$'000	2017 \$'000
Wages and salaries	9,220	6,292
Superannuation	898	819
Separations and redundancies	3,301	-
Unearned income	12,697	13,484
Other payables	18	50
Total other payables	26,134	20,645

Note 2.3: Accounting policy

Recognition and measurement of supplier and other payables: payables are carried at the amount owing to parties for goods and services provided, which is usually the invoice amount. Settlement is usually made within 7 days (2017: 7 days).

Note 2.4: Other provisions

	Provision for restoration obligations \$'000	Provision for settlements \$'000	Provision for relocations \$'000	Total \$'000
As at 1 July 2017	23,677	3,000	4,971	31,648
Additional provisions made	877	500	3,925	5,302
Amounts used	(510)	-	(2,160)	(2,670)
Provisions not realised	(361)	-	(2,999)	(3,360)
Revaluation	(36)	-	-	(36)
Unwinding of discount	541	-	-	541
Total as at 30 June 2018	24,188	3,500	3,737	31,425

Note 2.4A: Accounting policy

Provisions

Provisions are recognised when the AFP has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the unwinding of the discount or change in the discount rates is recognised in the Statement of comprehensive income.

Provision for restoration obligations

The provision for restoration obligations relates to leased accommodation where the AFP is required to restore the premises upon termination of the lease. The original estimates for future costs associated with restoration obligations are determined by independent valuation and discounted to their present value. The original provisions are adjusted for changes in expected future cost and the discount rate.

The AFP has 41 (2017: 34) agreements for leases of premises which have provisions requiring the AFP to restore the premises to their original condition at the conclusion of the lease. The AFP has made a provision to reflect the present value of this obligation.

Provision for legal settlement

The AFP provision for legal settlements includes legal claims made against the AFP which the AFP believes it will have to settle.

Provision for relocations

Staff relocations are payments which staff are entitled to for relocating but are yet to fully claim.

Note 3.1: Employee provisions

	2018 \$'000	2017 ¹ \$'000
Leave	297,638	288,951
Underpayment of superannuation	24,466	22,335
Other	50	50
Total employee provisions	322,154	311,336
Breakdown of employee provisions		
- amount of employee provisions expected to be settled in less than 12 months	104,089	99,020
- amount of employee provisions expected to be settled in more than 12 months	218,065	212,316
Total employee provisions	322,154	311,336

¹ Adjusted 2016-17 figures. Refer to Note 3.4 for the adjustment and accounting policy in relation to the superannuation provision.

Note 3.1: Accounting policy

Recognition and measurement of employee benefits

Employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if there is a present legal obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Employee provisions due within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Employee provisions which are expected to be settled beyond 12 months required management judgement and independent actuarial assessment of key assumptions, including, but not limited to:

- future salaries and wages increases;
- future on-cost rates; and
- period of service and attrition; and
- discounted to present value using market yields on 10 year government bonds.

Leave

The leave liabilities are annual and long service leave. The liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the AFP's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

Superannuation

The AFP's employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or a nominated superannuation fund. The CSS and PSS are defined benefit plans for the Australian Government. All other superannuation funds are accumulation plans.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The AFP makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The AFP accounts for the contributions as if they were contributions to defined contribution plans.

Note 3.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the AFP. The AFP has determined the key management personnel to be the members of the Executive Leadership Committee, including any member whom has acted for 30 days or more continuous. Key management personnel remuneration is reported in the table below. Included are those who have acted in any of the above mentioned roles deemed as key management personnel or who have departed prior to reporting date.

	2018	2017
	\$'000	\$'000
Short-term employee benefits	2,811	2,569
Post-employment benefits	455	448
Other long-term employee benefits	290	285
Termination benefits	-	278
Total key management personnel remuneration expenses¹	3,556	3,580

The total number of key management personnel included in the above table is 11 including 2 acting in management positions (2017: 11 including 3 acting in management positions).

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

Note 3.3: Related Party Disclosures

The AFP is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel including the Portfolio Minister and Executive, and other Australian Government entities.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the AFP, it has been determined that there are no related party transactions to be separately disclosed.

Note 3.4: Prior year restatement

Provision

The prior period error relates to unpaid superannuation entitlements on certain allowances. An estimate of the associated cost has been recognised in the opening balances for 2016-17 to the extent applicable to earlier years.

	Reported 2016-17 \$'000	Correction \$'000	Restated 2016-17 \$'000
Employee Benefits expense	848,587	2,220	850,807
Employee Provision	289,001	22,335	311,336
Opening Equity	642,778	20,115	662,893
Closing Equity	724,821	22,335	747,156

The provision is based on management's assessment of the range of potential outcomes taking into account independent advice. While the AFP believes it has adopted a conservative position, the estimate is subject to uncertainty such that the final outcome may be lower or higher than the amount reported as at 30 June 2018.

Notes to and forming part of the financial statements

Note 4.1: Appropriations

Note 4.1A: Revenue from government

	2018 \$'000	2017 \$'000
Departmental appropriations	1,016,001	1,021,343
Total revenue from government	1,016,001	1,021,343

Note 4.1A: Accounting policy

Revenue from government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue from government when the AFP gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Note 4.1B: Annual and unspent appropriations

	2018 \$'000	2017 \$'000
Annual Appropriations		
Opening unspent appropriation balance	312,470	275,839
Annual appropriation - operating ¹	1,017,013	1,021,774
Annual appropriation - capital budget ²	74,514	29,572
Annual appropriation - equity injection	75,323	89,649
PGPA Act Section 74 receipts	286,747	275,958
Total appropriation available	1,766,067	1,692,792
Appropriation applied (current and prior years)	1,480,579	1,380,322
Closing unspent appropriation balance	285,488	312,470
Balance comprises appropriations as follows:		
Appropriation Act (No. 1) 2013–14 ³	-	1,345
Appropriation Act (No. 1) 2014–15 ³	-	1,590
Appropriation Act (No. 2) 2014–15 ³	-	18,380
Appropriation Act (No. 1) – Capital Budget (DCB) – Non Operating – 2015–16 ¹	7,076	7,076
Appropriation Act (No. 1) 2015–16 ¹	7,780	7,780
Appropriation Act (No. 2) 2015–16 ¹	7,000	13,744
Appropriation Act (No. 1) 2016–17	-	169,733
Appropriation Act (No. 2) 2016–17	18,279	53,983
Appropriation Act (No. 3) 2016–17	-	16,716
Appropriation Act (No. 4) 2016–17	1,500	9,234
Appropriation Act (No. 1) 2017–18 ¹	201,559	-
Appropriation Act (No. 1) – Capital Budget (DCB) – Non Operating – 2017–18 ¹	4,091	-
Appropriation Act (No. 2) – Equity Injection – 2017–18	14,038	-
Appropriation Act (No. 4) – Equity Injection – 2017–18	13,227	-
Appropriation – Cash on hand / at bank	10,938	12,889
Total unspent appropriation	285,488	312,470

All amounts are GST exclusive

1. The following amounts are included in unspent annual appropriations, as the amounts have not been formally reduced (by law). They have been reduced by permanent quarantine under section 51 of the PGPA Act which constitutes a permanent loss of control. They are included in this note, however do not form part of the appropriation receivable balance at note 2.1B.

- \$7.076m – Appropriation Act (No.1) - Capital Budget (DCB) 2015-16
- \$7.780m – Appropriation Act (No.1) 2015-16
- \$7.000m – Appropriation Act (No.2) 2015-16
- \$0.160m – Appropriation Act (No.1) 2017–18
- \$4.091m – Appropriation Act (No.1) Capital Budget (DCB) 2017–18

Notes to and forming part of the financial statements

At 30 June 2018 the AFP recognised revenue and a receivable 'existing programs' at Note 2.1B of \$0.088m for a no win / no loss arrangement to cover additional FBT expense related to living away from home allowance. This met the formal recognition criteria under section 51 of the PGPA Act; however, as the appropriation had not been formally appropriated by law, it is not represented in this note (2017: receivable of \$0.940m).

2. Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

Decisions of Government provided the AFP \$12.318m in funding at 2017-18 MYEFO through a departmental capital offset. Under AASB Interpretation 1038 – Contributions by Owners Made to Wholly-Owned Public Sector Entities this reallocation constitutes a redesignation of equity to operating revenue, which cannot occur, and thus the funding remains an equity injection in the financial statements and this note.

3. The following prior year balances have lapsed:

- \$1.345m - Appropriation Act (No. 1) 2013-14
- \$1.590m - Appropriation Act (No. 1) 2014-15
- \$18.380m - Appropriation Act (No. 2) 2014-15

Note 4.1C: Annual and unspent administered appropriations

	2018 \$'000	2017 \$'000
Opening unspent appropriation balance	4,612	4,403
Annual appropriation - operating ¹	16,077	12,116
Total available appropriation	20,689	16,519
Appropriation applied (current and prior years)	16,266	11,907
Closing unspent appropriation balance	4,423	4,612
Balance comprises appropriations as follows:		
Appropriation Act (No. 1) 2014-15 ²	-	202
Appropriation Act (No. 1) 2015-16	2,941	2,941
Appropriation Act (No. 1) 2016-17	383	1,469
Appropriation Act (No. 1) 2017-18	455	-
Appropriation – Cash on hand / at bank	644	-
Total unspent appropriation - ordinary annual services	4,423	4,612

All amounts are GST exclusive

1. The following amounts are included in unspent annual appropriations, as the amounts have not been formally reduced (by law). They will be disclosed in this note until the appropriation lapses.

- \$2.941m – Administered Appropriation Act (No.1) 2015-16
- \$0.383m – Administered Appropriation Act (No.1) 2016-17

2. The following prior year balances have lapsed:

- \$0.202m – Administered Appropriation Act (No.1) 2014-15

Note 4.2: Net cash appropriation arrangements

From 2010–11, the government introduced net cash appropriation arrangements whereby revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.

	2018	2017
	\$'000	\$'000
Total comprehensive income (loss) less depreciation/amortisation expenses ¹	(48,259)	1,404
Movement in revaluation reserve	717	30,828
Depreciation/amortisation expenses not funded through revenue appropriation ¹	(81,007)	(85,667)
Total comprehensive income (loss) - per the Statement of comprehensive income	(128,549)	(53,435)

1. The comprehensive income (loss) per the Statement of comprehensive income is (\$45.448m) (2017: \$4.517m). The depreciation/amortisation expense per the Statement of comprehensive income is \$83.819m (2017:\$88.780m). The amount presented above for these two items has been reduced by \$2.812m (2017: \$3.113m), representing the depreciation/amortisation expense funded by the ACT Government for Outcome 2.

Notes to and forming part of the financial statements

Note 4.3: Special accounts

The AFP has one special account that contains the receipt of monies temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth, for the payment of monies in connection with services performed on behalf of other governments and non-agency bodies and for expenditure related to providing secretariat support in relation to the detection and prevention of money laundering in the Asia–Pacific region and carrying out activities that are incidental to this purpose.

Services for other entities and trust moneys account (SOETM) ¹	2018 \$'000	2017 \$'000
Balance brought forward from previous year	64,104	40,834
Increases		
Appropriation credited to special account	1,490	1,507
Departmental receipts (AIPM ² and APG ³)	12,109	12,810
Other receipts	39,357	43,244
Total increases	52,956	57,561
Decreases		
Departmental payments (AIPM and APG)	(13,255)	(11,441)
Other payments	(53,099)	(22,850)
Total decreases	(66,354)	(34,291)
Balance carried to next year and represented by:	50,706	64,104
Cash – held by the agency	4,657	4,813
Cash – held by the agency on trust	39,549	53,291
Monies – held by the OPA	6,500	6,000
Total balance carried to the next year	50,706	64,104

All amounts are GST exclusive

1. Appropriation: Public Governance, Performance and Accountability Act

Establishment Instrument: Financial Management and Accountability (Establishment of Special Account for Australian Federal Police) Determination 2011/03 . Date established: 17 May 2011.

2. Accounting for the Australian Institute of Police Management (AIPM)

The purpose of the AIPM is to provide executive development and education services to Australasian police forces. The AIPM is hosted by the AFP. It also reports on its performance to a Board of Control that is comprised of police Commissioners from Australia and New Zealand.

3. Accounting for the Asia – Pacific Group (APG) on Money Laundering

The purpose of the APG on Money Laundering is to facilitate the adoption, implementation and enforcement of internationally accepted anti-money-laundering and anti-terrorist-financing standards. The APG is hosted by the AFP. It also reports on its performance to the members of the APG.

The AIPM and APG operate within the corporate governance framework of the AFP and the AFP's policies apply in all aspects of the AIPM and APG's functions. All staff members are staff members of the AFP. The AIPM is partly funded from AFP annual departmental appropriations. The AFP has effective control of the AIPM and APG and therefore AIPM and APG transactions are consolidated into the financial statements of the AFP.

AIPM and APG transactions are contained within the special account, 'Services for other entities and trust moneys account', in addition to being consolidated within the AFP financial statements. As a special account, AIPM and APG funds can only be used for the purpose specified.

Note 4.4: Contingent liabilities and contingent assets

Contingent liabilities and assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

The AFP has contingent liabilities in respect of legal claims. The amounts are still under negotiation, the remainder are unquantifiable at 30 June.

The AFP had no administered contingent liabilities or contingent assets at 30 June.

Unquantifiable contingencies

The AFP has unquantifiable contingencies in relation to a potential underpayment of superannuation resulting from interpretations of Enterprise Agreements and other employee arrangements. A contingency has been disclosed as an obligation has not yet been determined and uncertainty exists in determining any potential liability.

If a matter prosecuted by the AFP is defended successfully, the court may order that the AFP meet certain costs incurred by the defence.

Any contingencies that may arise relating to compensation matters are covered by AFP's insurance providers Comcare and Comcover.

If a matter is being litigated by the AFP and assets are restrained under the *Proceeds of Crime Act 1987* or the *Proceeds of Crime Act 2002*, the AFP gives an undertaking against potential damages caused to the person(s) whose assets have been restrained. If the proceeds of crime action is unsuccessful, damages may be awarded against the AFP. In addition, cost orders may be made against the AFP if a proceeds of crime action is unsuccessful. Costs awarded are met from the AFP or client organisations' annual appropriations. Damages may be covered by Comcover where Comcover assesses that the liability is covered by the AFP's insurance policy.

Although costs and damages may be awarded against the AFP from time to time, the AFP is unable to declare an estimate of liabilities not recognised nor undertakings due to the uncertainty of the outcome of matters but, more particularly, due to the sensitivity of the information related to matters still before the courts.

Note 5.1: Budget reporting and major budget variances

The statement of comprehensive income, the statement of financial position and the cash flow statement provide a comparison of the original budget as presented in the 2017-18 Portfolio Budget Statements (PBS) to the 2017-18 actual outcome. No comparison has been provided for the statement of changes in equity as major changes between the PBS and the actual outcome are explained by movements in the statement of comprehensive income and the statement of financial position.

Note 5.1A: Departmental major budget variances for 2018

(i) Suppliers (statement of comprehensive income) and (cash flow statement)

Supplier expenses were \$463.594m, \$42.727m higher than the budget estimate of \$420.867m. The variance is due to an additional \$5.627m provided in Additional Estimates, costs relating to increased sale of goods and services and an increase across most supplier expense categories.

(ii) Trade and other receivables (statement of financial position)

Trade and other receivables were \$279.463m, \$72.280m higher than the budget estimate of \$207.183m. This is due to the increase in Supplier Payables and Other Payables which impacted Appropriation Receivable.

(iii) Land and buildings (statement of financial position) and (cash flow statement)

Land and buildings were \$336.469m, \$47.864m lower than the budget estimate of \$384.333m. The variance is due to the 2016-17 asset revaluation, variances in depreciation estimates and less assets purchased in this category than the original profile.

(iv) Property, plant and equipment (statement of financial position) and (cash flow statement)

Property, plant and equipment was \$217.839m, \$97.806m higher than the budget estimate of \$120.033m. The variance is due to the 2016-17 asset revaluation, variances in depreciation estimates and more assets purchased in this category than the original profile.

(v) Suppliers payable (statement of financial position) and (cash flow statement)

Suppliers payable were \$120.655m, \$68.004m higher than the budget estimate of \$52.651m. The variance is due to significant project expenses accrued at the end of the year including for capital projects in progress.

(vi) Employee provisions (statement of financial position) and (cash flow statement)

Employee provisions were \$322.154m, \$49.820m higher than the budget estimate of \$272.334m. The variance is due to the impact of enterprise agreement pay rises, higher than anticipated staffing levels and the recognition of a provision for unpaid employee on costs relating to superannuation on certain allowances.

This page is intentionally blank

7 Appendixes

Appendixes

Appendix A CORPORATE INTEGRITY

Table A1 Alleged conduct breaches¹ recorded, by category, 2014–15 to 2017–18

	2014–15	2015–16	2016–17	2017–18
All AFP				
Category 1	113	149	105	96
Category 2	450	444	316	323
Category 3	316	246	333	183
Category 4	55	69	87	80
Total	934	908	841	682
Outcome 1				
Category 1	42	49	38	30
Category 2	295	313	196	180
Category 3	236	191	278	135
Category 4	40	59	78	61
Total Outcome 1	613	612	590	406
Outcome 2				
Category 1	71	100	67	66
Category 2	155	131	120	143
Category 3	80	55	55	48
Category 4	15	10	9	19
Total Outcome 2	321	296	251	276

¹ Conduct breaches are individual issues identified within a complaint. Multiple breaches may be applied when two or more complaint issues are identified from information supplied by a complainant or when two or more members are subject to a complaint.

Note: Part V of the *Australian Federal Police Act 1979* (Cth) defines the categories of conduct for AFP appointees. Category 1 is the least serious category and relates mainly to customer service breaches. Category 2 is minor misconduct and category 3 is serious misconduct. Category 4 complaints relate to corruption as defined by the *Law Enforcement Integrity Act 2006* (Cth). These matters are deemed to be either significant or non-significant corruption and are referred to the Australian Commission for Law Enforcement Integrity.

Table A2 Alleged conduct breaches recorded, by source, 2017–18

Source	Number of alleged conduct breaches	Percentage
Anonymous member of the public	12	2%
Member of the public	217	32%
Another AFP member	394	58%
Self-reported	59	8%
Total	841	100%

TABLE A3 Finalised conduct breaches, by category, 2017–18

	Established	Not established	Withdrawn	Discretion not to proceed ¹	Total finalised
All AFP					
Category 1	13	74	2	11	100
Category 2	162	213	7	50	432
Category 3	114	172	10	49	345
Category 4	5	19	7	14	45
Total	294	478	26	124	922
Percentage	32%	52%	3%	13%	100%
Outcome 1					
Category 1	6	15	0	5	26
Category 2	123	79	5	41	248
Category 3	98	106	9	38	251
Category 4	5	16	7	12	40
Total Outcome 1	232	216	21	96	565
Percentage	41%	38%	4%	17%	100%
Outcome 2					
Category 1	7	59	2	6	74
Category 2	39	134	2	9	184
Category 3	16	66	1	11	94
Category 4	0	3	0	2	5
Total Outcome 2	62	262	5	28	357
Percentage	17%	73%	1%	8%	100%

¹ Section 40TF of the *Australian Federal Police Act 1979* (Cth) sets out the circumstances under which the Commissioner may decide to take no further action in relation to a conduct issue. These circumstances include when appropriate action has already been taken, further investigation is determined to be unwarranted or the alleged issue took place more than 12 months before reporting.

Note: This table includes matters reported before 1 July 2017 and finalised during 2017–18.

Table A4 Conduct breaches established, by type, 2017–18

Type	Number	Percentage
Failure to comply with procedure	63	21.4%
Inappropriate behaviour/conduct–serious	31	10.5%
Unauthorised discharge tazer	27	9.2%
Inappropriate behaviour/conduct	24	8.2%
Misuse of credit card	21	7.1%
Information release	12	4.1%
CO ₃ ¹ fail secure ammo/accoutrements	11	3.7%
Due care/diligence failure	8	2.7%
Failure to record and report	8	2.7%
Information access	7	2.4%
CO ₃ ¹ non-serious nature	6	2.0%
Information misuse	5	1.7%
Discourtesy	5	1.7%
Criminal misconduct	5	1.7%
Conflict of interest	4	1.4%
Drug misconduct	3	1.0%
Secondary employment	3	1.0%
Inadequate service	3	1.0%
Failure of security practices role/duty	3	1.0%
Assault	3	1.0%
Practice or procedure issue	3	1.0%
Bullying	3	1.0%
False information/statement	3	1.0%
Failure to declare association	3	1.0%
Inappropriate use AFP resources	3	1.0%
Theft	2	0.7%
Harassment	2	0.7%
Property accounting failure	2	0.7%
Misuse of AFP ID	2	0.7%
Supervision failure	2	0.7%
Misuse of authority	2	0.7%
Failure to comply with direction	2	0.7%
False time recording	2	0.7%
Property misconduct	2	0.7%
Use of force with injury	1	0.3%
Unauthorised discharge of firearm	1	0.3%
Property unauthorised use/removal of	1	0.3%
Abuse of office	1	0.3%
Driving misconduct	1	0.3%
Sexual harassment	1	0.3%
Violence–family and domestic	1	0.3%
Misuse of equipment	1	0.3%
Property holding failure	1	0.3%
Total established	294	100%

¹ Commissioner's order on operational safety (CO₃)

Table A5 Prohibited drug tests conducted, 2016–17 and 2017–18

Category	2016–17	2017–18
Mandatory applicant testing	307	781
Mandatory targeted testing	2,453	2,533
Mandatory investigation and certain incident testing ¹	14	7
Total	2,774	3,321

¹The term *certain incident* relates to an incident where a person is killed or seriously injured in an incident involving a motor vehicle or while in police custody, or a person killed or seriously injured by a firearm discharging or physical force.

Table A6 Age of complaints being carried forward to 2017–18 (ongoing as at 30 June 2018)

	Year of origin						Total carried forward
	Before 2013	2013–14	2014–15	2015–16	2016–17	2017–18	
All AFP							
Category 1				1	2	18	21
Category 2				2	2	66	70
Category 3	1	2	3	14	24	82	126
Category 4	2	4	8	14	26	47	101
Total AFP	3	6	11	31	54	213	318

Table A7 Run time¹ for resolution of complaints finalised

	2016–17			2017–18		
	Average run time	Number finalised		Average run time	Number finalised	
All AFP						
	Days	Complaints	Breaches²	Days	Complaints	Breaches²
Category 1	89	61	102	102	56	100
Category 2	177	157	369	136	217	432
Category 3	285	139	348	299	186	345
Category 4	315	40	55	511	44	45
Total AFP		397	874		503	922

¹Run time is defined from the date the complaint assigned to an investigation team to completion of the investigation.

²Conduct breaches are individual issues identified within a complaint. Multiple breaches may be applied when two or more complaint issues are identified from information supplied by a complainant or when two or more members are subject to a complaint.

Table A8 Total harmful workplace behaviour referrals to Safe Place, the Confidant Network and Professional Standards (PRS), 1 July 2017–30 June 2018

Category	Safe Place	Confidant	PRS	Total
Sexual assault referrals	1		2	3
Sexual harassment	15	1	5	21
Bullying/harassment	125	10	20	155
Assault referrals	1			1
Other ¹	88	45		133
Total received	230	56	27	313
Total finalised²	245³	69	28	342

¹ Other category includes procedural fairness, vilification, other workplace harm, management action, victimisation, welfare, and general grievances. For the Confidant Network this also includes Integrity issues.

² Includes matters received prior to 1 July 2017

³ Safe Place works with the client to effectively resolve matters in line with the client's concerns. Matters have been finalised through a number of methods:

- referring allegations of sexual assault or sexual harassment for investigation to the Safe Place Response Team
- referring the matter to the workplace for management action including performance management awareness-raising and appropriate treatment
- working with the client to have the matter referred for formal investigation under Part V of the AFP Act and/or workplace investigations in accordance with current complaints management practices through Professional Standards.
- resolving the matter through restorative storytelling
- resolving the matter to the client's satisfaction informally, with the information being recorded and without action being taken.

Matters may be referred to the most appropriate business area when the issue is not within the Safe Place mandate; this includes Human Resources, Wellbeing Services, the Welfare Network or Industrial Relations.

Appendix B ADVERTISING AND MARKET RESEARCH

Table B1 Media costs during 2017–18

Category	Vendor	Amount (\$)
Market research	Loneragan Research Pty Ltd	86,108
Campaign	Productology Pty Ltd	122,060
Campaign	69 John St	16,123
Non-campaign	Dentsu Mitchell Media Australia Pty	61,660
Total		285,951

Appendix C STAFFING STATISTICS

Table C1 Ongoing, non-ongoing and casual AFP staff, 30 June 2017 and 30 June 2018

Sworn status	Employment group	30 June 2017 headcount	30 June 2018 headcount	Difference	30 June 2018 FTE
Police officer	Ongoing full-time	3,247	3,210	-37	3,134
	Ongoing part-time	136	150	14	101
	Non-ongoing full-time		1	1	1
Subtotal		3,383	3,361	-22	3,235
Protective service officer	Ongoing full-time	711	726	15	719
	Ongoing part-time	5	8	3	5
Subtotal		716	734	18	723
Professional staff	Ongoing full-time	2,087	2,162	75	2,080
	Ongoing part-time	279	312	33	219
	Non-ongoing full-time	45	120	75	117
	Non-ongoing part-time	3	10	7	7
	Casual	12	14	2	
Subtotal		2,426	2,618	192	2,423
Asia–Pacific Group: professional staff	Ongoing full-time	11	14	3	14
	Ongoing part-time	1		-1	
	Non-ongoing full-time	3	1	-2	1
Subtotal		15	15		15
Total		6,540	6,728	188	6,397

Note: Australian Institute of Police Management staff are included under professional and police. FTE calculations exclude casual staff, consistent with APSC reporting guidelines.

Table C2 Length of service of AFP staff, 30 June 2018

Sworn status	Executive	Length of service (years)							Total
		<1	1–5	6–10	11–15	16–20	21–25	26+	
Police officer	Chief of Staff		2	4	1			4	11
	Chief Operating Officer	74	14	37	47	35	10	34	251
	Chief Police Officer–ACT	15	191	177	141	82	8	63	677
	Deputy Commissioner Capability	1	29	150	196	128	18	77	599
	Deputy Commissioner National Security		99	190	249	157	23	85	803
	Deputy Commissioner Operations		124	218	251	193	35	150	971
	Reform, Culture and Standards			10	14	17	2	5	48
	Transnational Serious & Organised Crime	1							1
Subtotal		91	459	786	899	612	96	418	3,361
Protective service officer	Chief of Staff				2				2
	Chief Operating Officer	35		1	9	3		1	49
	Deputy Commissioner Capability		2	2	10	6		2	22
	Deputy Commissioner National Security	21	147	92	241	90	24	41	656
	Deputy Commissioner Operations		1	1	2	1			5
Subtotal		56	150	96	264	100	24	44	734
Professional staff	Chief of Staff	11	40	30	18	4	1	2	106
	Chief Operating Officer	134	183	217	211	52	13	20	830
	Chief Police Officer–ACT	38	51	61	50	10	1	5	216
	Deputy Commissioner Capability	109	265	303	236	76	10	23	1,022
	Deputy Commissioner National Security	4	25	22	26	9		5	91
	Deputy Commissioner Operations	15	61	77	80	33	8	12	286
	Reform, Culture and Standards	5	20	16	15	7	3		66
	Transnational Serious & Organised Crime			1					1
Subtotal		316	645	727	636	191	36	67	2,618
Asia–Pacific Group: professional staff	Asia–Pacific Group	1	6	3	5				15
Subtotal		1	6	3	5				15
Total		464	1,260	1,612	1,804	903	156	529	6,728

Note: The Chief Operating Officer function includes police and protective service officer recruits at the AFP College, the Graduate and Directions programs staff and Australian Institute of Police Management staff.

Table C3 AFP workforce composition, 30 June 2018 (headcount)

Sworn status	Casual	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Tech Specialist	Exec level	SES	Statutory office holders	Total
Police officer														
Female			68	123	205	205	16	127	4		28	15	1	792
Male			81	397	686	755	37	443	35		100	31	4	2,569
Indeterminate														
Subtotal			149	520	891	960	53	570	39		128	46	5	3,361
Protective service officer														
Female			80	26	9	2	2	1	1					121
Male			114	360	52	33	35	8	6		3	1		612
Indeterminate				1										1
Subtotal			194	387	61	35	37	9	7		3	1		734
Professional staff														
Female	5	2	48	304	425	230	235	223	68	1	39	13		1,593
Male	9	3	18	189	184	110	210	155	63	12	57	15		1,025
Indeterminate														
Subtotal	14	5	66	493	609	340	445	378	131	13	96	28		2,618
Asia–Pacific Group: professional staff														
Female				1	1	1		4			1			8
Male						1		2			2	2		7
Indeterminate														
Subtotal				1	1	2		6			3	2		15
Total	14	5	409	1,401	1,562	1,337	535	963	177	13	230	77	5	6,728

Table C4 AFP staff, by location and gender, 30 June 2018

Sworn status	Location											Total	%	
	ACT	CT ¹	NSW	NT	OP ²	Qld	SA	Tas	Vic	WA				
Police officer														
Female	418	5	100	9	39	69	20	3	108	21	792	24%		
Male	1,112	12	429	25	155	263	77	2	349	145	2,569	76%		
Indeterminate														
Subtotal headcount	1,530	17	529	34	194	332	97	5	457	166	3,361	100%		
Subtotal FTE	1,466	17	511	34	194	323	95	5	433	158	3,235	N/A		
Protective service officer														
Female	68		24	6		5	2		4	12	121	16%		
Male	271		169	35	1	15	8		52	61	612	83%		
Indeterminate	1										1	0%		
Subtotal headcount	340		193	41	1	20	10		56	73	734	100%		
Subtotal FTE	335		191	41	1	20	10		56	71	723	N/A		
Professional staff														
Female	1,231	3	129	4	32	57	15		94	28	1,593	61%		
Male	771	6	99		21	38	5		59	26	1,025	39%		
Indeterminate														
Subtotal headcount	2,002	9	228	4	53	95	20		153	54	2,618	100%		
Subtotal FTE	1,852	5	216	2	52	89	18		139	49	2,423	N/A		
Asia–Pacific Group: professional staff														
Female			8								8	53%		
Male			7								7	47%		
Indeterminate														
Subtotal headcount			15								15	100%		
Subtotal FTE			15								15	N/A		
All staff														
Female	1,717	8	261	19	71	131	37	3	206	61	2,514	37%		
Male	2,154	18	704	60	177	316	90	2	460	232	4,213	63%		
Indeterminate	1										1	0%		
Subtotal headcount	3,872	26	965	79	248	447	127	5	666	293	6,728	100%		
Subtotal FTE	3,653	22	932	76	247	432	124	5	629	277	6,397	N/A		

¹ Commonwealth territories.² Overseas post.

Table C5 AFP staff, by gender and sworn status, 30 June 2017 and 30 June 2018
(headcount)

Sworn status	30 June 2017	30 June 2018	Difference
Police officer			
Female	758	792	34
Male	2,625	2,569	-56
Indeterminate			
Subtotal	3,383	3,361	-22
Protective service officer			
Female	106	121	15
Male	609	612	3
Indeterminate	1	1	
Subtotal	716	734	18
Professional staff			
Female	1,465	1,593	128
Male	961	1,025	64
Indeterminate			
Subtotal	2,426	2,618	192
Asia–Pacific Group: professional staff			
Female	8	8	
Male	7	7	
Indeterminate			
Subtotal	15	15	
All staff			
Female	2,337	2,514	177
Male	4,202	4,213	11
Indeterminate	1	1	
Total	6,540	6,728	188
% female			
Police officer	22%	24%	1.2%
Protective service officer	15%	16%	1.7%
Professional staff	60%	61%	0.5%
All staff	36%	37%	1.6%

Table C6 AFP staff identifying as Aboriginal and/or Torres Strait Islander Australians, by sworn status and employment group, 30 June 2017 and 30 June 2018 (headcount)

Sworn status	Employment group	30 June 2017	30 June 2018	Difference
Police officer	Ongoing full-time	40	41	1
	Ongoing part-time		2	2
Subtotal		40	43	3
Protective service officer	Ongoing full-time	14	18	4
Subtotal		14	18	4
Professional staff	Ongoing full-time	56	60	4
	Ongoing part-time	1	3	2
	Non-ongoing full-time	8	21	13
	Non-ongoing part-time		1	1
Subtotal		65	85	20
Total identifying as Indigenous		119	146	27
Total AFP workforce		6,540	6,728	188
Indigenous employment rate		1.8%	2.2%	0.4%

Note: This data has been captured using an optional self-reporting mechanism; therefore the numbers in this table may not accurately reflect the actual numbers of Aboriginal and/or Torres Strait Islander staff within the organisation.

Table C7 AFP staff identifying as Aboriginal and/or Torres Strait Islander Australians, by location and gender, 30 June 2018 (headcount)

Sworn status	Location									Total
	ACT	CT ¹	NSW	NT	OP ²	Qld	SA	Vic	WA	
Police officer										
Female	5		1	1	1					8
Male	22	1	3	2	1	2		4		35
Indeterminate										
Subtotal	27	1	4	3	2	2		4		43
Protective service officer										
Female	3		3			1				7
Male	2		7					1	1	11
Indeterminate										
Subtotal	5		10			1		1	1	18
Professional staff										
Female	40		5	1	1	3	1	1		52
Male	29		2			2				33
Indeterminate										
Subtotal	69		7	1	1	5	1	1		85
Total	101	1	21	4	3	8	1	6	1	146

¹ Commonwealth territories.

² Overseas post.

Note: This data has been captured using an optional self-reporting mechanism; therefore the numbers in this table may not accurately reflect the actual numbers of Aboriginal and/or Torres Strait Islander staff within the organisation.

Table C8 AFP staff identifying as culturally and linguistically diverse (CALD), by sworn status and employment group, 30 June 2018 (headcount)

Sworn status	Employment group	30 June 2018
Police officer	Ongoing full-time	867
	Ongoing part-time	41
Subtotal		908
Protective service officer	Ongoing full-time	187
	Ongoing part-time	3
Subtotal		190
Professional staff	Ongoing full-time	614
	Ongoing part-time	69
	Non-ongoing full-time	28
	Non-ongoing part-time	1
	Casual	5
Subtotal		717
Asia-Pacific Group: professional staff	Ongoing full-time	6
	Non-ongoing full-time	1
Subtotal		7
Total identifying as CALD		1,822
Total AFP workforce		6,728
CALD employment rate		27%

Note: This data has been captured using an optional self-reporting mechanism; therefore the numbers in this table may not accurately reflect the actual numbers of Aboriginal and/or Torres Strait Islander staff within the organisation.

Table C9 AFP senior executives (substantive staff), 30 June 2018 (headcount)

Executive	Business area	Police officer	Protective service officer	Professional staff	Total
Chief Operating Officer	Financial and Commercial			4	4
	Chief Counsel			2	2
	People, Safety and Security	1		3	4
	Workforce and Development	7		1	8
	Australian Institute of Police Management			1	1
Chief Operating Officer subtotal		8		11	19
Deputy Commissioner Capability	Specialist Operations	3		2	5
	Support Capability	2		1	3
	Technology and Innovation			3	3
Deputy Commissioner Capability subtotal		5		6	11
Deputy Commissioner National Security	Counter Terrorism	4		2	6
	Protection Operations	3	1	1	5
Deputy Commissioner National Security subtotal		7	1	3	11
Deputy Commissioner Operations	Crime Operations	3			3
	International Operations	13			13
	Organised Crime and Cyber	2			2
Deputy Commissioner Operations subtotal		18			18
Chief of Staff		7		6	13
Reform, Culture and Standards		3			3
Transnational Serious & Organised Crime		1		1	2
Chief Police Officer–ACT		2		1	3
Asia-Pacific Group				2	2
Total		51	1	30	82

Note: The Office of Commissioner is noted under Chief of Staff. People, Safety and Security include senior executives on secondments. This table includes statutory office holders.

Table C10 AFP staff outposted to other agencies/police services, secondments, territories police and peacekeeping, 30 June 2018 (headcount)

Location and agency	Total
Domestic	
Attorney-General's Department	1
Australian Border Force	21
Australian Centre For Counter-Terrorism Coordination	3
Australian Commission For Law Enforcement Integrity	3
Australian Cyber Security Centre	1
Australian Defence Force Investigative Service	1
Australian Defence Force Joint Operations Command	2
Australian Sports Anti Doping Authority	1
Australian Taxation Office	1
Australian Transaction Reports And Analysis Centre	1
Department of Education and Training	1
Department of Human Services	18
National Threat Assessment Centre	1
Northern Territory Police (Child Abuse Taskforce)	3
Trade Union Joint Police Taskforce	5
Subtotal	63
International	
Europol	3
Interpol	1
Jakarta Centre of Law Enforcement Cooperation	2
Pacific Transnational Crime Coordination Centre	1
Transnational Crime Coordination Network	1
Transnational Crime Unit	2
UK National Crime Agency	1
United Nations	1
US Drug Enforcement Agency	1
US Federal Bureau of Investigation	1
Subtotal	14
Peacekeeping or police development	
External territories	26
Stability/capability-building	150
Subtotal	176
Total	253

Appendix D AGENCY RESOURCE STATEMENT AND RESOURCES FOR OUTCOMES

Table D1 Agency resource statement, 2017–18

		Actual available appropriation for 2017–18 ¹ \$'000 (a)	Payments made 2017–18 \$'000 (b)	Balance remaining 2017–18 \$'000 (a) – (b)
Ordinary annual services²				
Departmental appropriation ³		1,576,384	1,363,958	212,426
Total		1,576,384	1,363,958	212,426
Administered expenses				
Outcome 1 ⁴		17,369	16,266	1,103
Total		17,369	16,266	
Total ordinary annual services	A	1,593,753	1,380,224	
Other services⁵				
Departmental non-operating				
Equity injections		163,664	116,621	47,043
Total other services	B	163,664	116,621	
Total available annual appropriations		1,757,417	1,496,845	
Total available annual appropriations excluding special accounts		1,757,417	1,496,845	
Special appropriation limited by amount				
<i>Public Governance, Performance and Accountability Act 2013</i> (section 77)		100	33	
Total special appropriations	C	100	33	
Special accounts				
Opening balance ⁶		10,812		
Appropriation receipts ⁷		1,490		
Non-appropriation receipts to special accounts		12,109		
Payments made			13,255	
Total special accounts	D	24,411	13,255	11,156
Total resourcing and payments (A+B+C)		1,781,828	1,510,133	
Less appropriations drawn from annual or special appropriations above and credited to special accounts		(13,599)	(13,599)	
Total net resourcing and payments		1,768,229	1,496,534	

¹ Actual available appropriation excludes amounts permanently quarantined under section 51 of the *Public Governance, Performance and Accountability Act 2013*.

² Appropriation Bill (No. 1) 2017–18. This includes prior-year departmental appropriations available and section 74 relevant agency receipts.

³ Includes an amount of \$74,514m in 2017–18 for the departmental capital budget. For accounting purposes this amount has been designated as 'contributions by owners'.

⁴ Appropriation Bill (No. 1) 2017–18. This also includes prior-year administered appropriations.

⁵ Appropriation Bill (No. 2) 2017–18. This includes available equity appropriations from previous years.

⁶ Opening balance for departmental special accounts (less 'special public money' held in the Services for Other Entities and Trust Moneys Special Account)

⁷ Appropriation receipts from annual appropriations for 2017–18 included above.

Table D2 Expenses for Outcome 1

Outcome 1: Reduced criminal and security threats to Australia's collective economic and societal interests through cooperative policing services	Budget¹ 2017–18 \$'000 (a)	Actual expenses 2017–18 \$'000 (b)	Variation 2017–18 \$'000 (a) - (b)
Program 1.1: Federal Policing and National Security			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Bill No. 1)	1,977	1,977	1
<i>Special appropriations</i>			
<i>Public Governance, Performance and Accountability Act 2013 (section 77)</i>	100	33	67
<i>Departmental expenses</i>			
Departmental appropriation ²	951,105	976,042	(24,937)
Special accounts	10,383	13,255	(2,872)
Expenses not requiring appropriation in the budget year ³	98,831	78,832	19,999
Total for Program 1.1	1,062,396	1,070,139	(7,742)
Program 1.2: International Police Assistance			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Bill No. 1)	14,100	14,096	4
<i>Departmental expenses</i>			
Departmental appropriation ²	194,696	193,719	977
Expenses not requiring appropriation in the budget year ³	3,345	2,513	832
Total for Program 1.2	212,141	210,328	1,813
Outcome 1 totals by appropriation type			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Bill No. 1)	16,077	16,073	4
<i>Special appropriations</i>			
Special appropriations	100	33	67
<i>Departmental expenses</i>			
Departmental appropriation	1,145,801	1,169,761	(23,960)
Special accounts	10,383	13,255	(2,872)
Expenses not requiring appropriation in the budget year	102,176	81,345	20,831
Total expenses for Outcome 1	1,274,537	1,280,467	(5,930)
		2016–17	2017–18
Average staffing level (number)		5,306	5,318

¹ Full-year budget, including any subsequent adjustment made to the 2017–18 Budget.

² Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (section 74)'.

³ Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses, resources received free of charge and write-down and impairment of assets.

Table D3 Expenses for Outcome 2

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government	Budget¹ 2017–18 \$'000 (a)	Actual expenses 2017–18 \$'000 (b)	Variation 2017–18 \$'000 (a) - (b)
Program 2.1: ACT Community Policing			
Departmental expenses			
Departmental appropriation ²	159,628	157,627	2,001
Expenses not requiring appropriation in the budget year ³	8,368	8,390	(22)
Total expenses for Outcome 2	167,996	166,017	1,979
		2016–17	2017–18
Average staffing level (number)		951	932

¹ Full-year budget, including any subsequent adjustment made to the 2017–18 Budget.

² Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (section 74)'.

³ Expenses not requiring appropriation in the budget year is made up of depreciation and amortisation expenses and resources received free of charge.

Appendix E NON-FINANCIAL PERFORMANCE

Table E1 Trend of non-financial performance criteria

Performance criteria	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19		
	Result	Result	Result	Result	Result	Target	Met	
National policing								
Corporate Plan 2017-18 (pages 22-25); Portfolio Budget Statement 2017-18, Program 1.1 (page 99)								
1.1 Community confidence ¹	N/A				62%	75%	No	
1.2 Cyber safety awareness ²	90%	96%	94%	94%	92%	85%	Yes	
1.3 Stakeholder satisfaction ³	93%	93%	91%	90%	90%	85%	Yes	
1.4 Convictions ⁴	95%	94%	95%	95%	96%	90%	Yes	
1.5 Disruptions ⁵	N/A				41	N/A	Yes	
1.6 Prevention	N/A				N/A	N/A	Yes	
1.7 Return on investment for transnational crime	9	5	5	3	16	>1	Yes	
1.8 Return on investment for asset confiscation	N/A				3.9	>1	Yes	
International operations								
Corporate Plan 2017-18 (pages 26-27); Portfolio Budget Statement 2017-18, Program 1.1 (page 99), Program 1.2 (page 10)								
2.1 Stakeholder satisfaction	95%	86%	95%	89%	92%	85%	Yes	
2.2 Disruptions	N/A				165	N/A	Yes	
2.3 Return on investment for international operations	N/A				32.4	>1	Yes	
2.4 Preventions	N/A				N/A	N/A	Yes	
2.5 Mission and external territories performance	Positive feedback				Positive	Positive	Yes	
Protection								
Corporate Plan 2017-18 (page 27); Portfolio Budget Statement 2017-18, Program 1.1 (page 99)								
3.1 Number of avoidable incidents ⁶	1	1		1		4	Yes	
3.2 Convictions	95%	94%	95%	95%	100%	90%	Yes	
3.3 Prevention	N/A				N/A	N/A	Yes	
3.4 Response to aviation incidents within priority timeframes	Priority 1	97%	95%	91%	94%	92%	90%	Yes
	Priority 2	95%	99%	94%	92%	93%	90%	Yes
	Priority 3	100%	100%	100%	100%	100%	90%	Yes
	Priority 4	100%	99%	100%	100%	100%	90%	Yes
3.5 Stakeholder satisfaction	96%	91%	90%	92%	94%	85%	Yes	

¹ Based on the AFP Community Confidence Survey (new measure).

² Percentage of surveyed sample indicating increased awareness or reinforced awareness after delivery of ThinkUKnow presentations.

³ Performance criteria 1.2, 2.1 and 3.5 based on the AFP Business Satisfaction Survey.

⁴ 'Increase' is defined as an increase in assets restrained relative to the previous five-year average (\$126.1 million in the period 2011-12 to 2015-16).

⁵ Disruption is an outcome of an investigation that may take the form of delaying, diverting or otherwise complicating the commission of criminal activity or the operations of a criminal entity.

⁶ Avoidable incidents are defined as those incidents that could have been avoided through physical action, intervention or reasonable intelligence and that result in death, injury, loss of dignity or embarrassment to individuals and interests.

Table E2 AFP drug seizures 2016–17 and 2017–18

Drug group reported	Financial year of seizure						
	2016–17 (revised ¹)			2017–18			
	Seizures ²	Weight kg	DHI ³ \$m	Seizures ²	Weight kg	DHI ³ \$m	DHI ³ \$m/kg
Amphetamine-type stimulant	956	5,867	\$1,342	769	7,258	\$1,661	\$0.23
<i>Amphetamine</i>	111	13	\$3	122	63	\$14	\$0.23
<i>MDMA⁴</i>	412	3,026	\$692	323	1,122	\$257	\$0.23
<i>Methamphetamine</i>	358	1,247	\$285	379	3,762	\$861	\$0.23
<i>Khat</i>	61	1,515	\$347	61	2,103	\$481	\$0.23
<i>Other stimulant⁵</i>	194	67	\$15	186	208	\$48	\$0.23
Cannabis	288	161	\$2	420	1,641	\$16	\$0.01
Cocaine	412	4,198	2,707	414	1,340	\$864	\$0.64
Hallucinogen	130	94	\$21	126	27	\$6	\$0.23
Opioid/opiate	185	193	\$253	235	342	\$449	\$1.31
<i>Heroin</i>	80	170	\$223	123	194	\$255	\$1.31
<i>Opiate (e.g. opium)</i>	69	20	\$26	78	141	\$184	\$1.31
<i>Opioid (e.g. fentanyl)</i>	67	3	\$4	67	8	\$10	\$1.31
Precursor	12	2,341	\$927	18	4,002	\$1,585	\$0.40
<i>Ephedrine</i>	7	1,348	\$534	6	3,984	\$1,577	\$0.40
<i>Other (e.g. MDP2P)</i>	5	993	\$393	12	18	\$7	\$0.40
Sedative⁹	222	1,325	\$601	267	2,691	\$1,221	\$0.45
<i>GBL (gamma-butyrolactone)</i>	84	1,295	\$588	117	2,593	\$1,177	\$0.45
<i>Other (e.g. GHB, ketamine)</i>	149	30	\$14	179	97	\$44	\$0.45
Steroid	36	21	\$5	53	20	\$5	\$0.24
Pharmaceutical⁸	40	4		33	5		\$0.00
Other/unknown¹⁰	59	19		47	24		\$0.00
Total¹¹	1,748	14,224	\$5,858	1,527	17,350	\$5,805	

¹Weights are based on seizure examinations completed at time of publication. Results previously published for 2016–17 have been updated based on further drug seizure deconstruction and analysis conducted in 2017–18.

²Some seizures involve multiple drug groups. Therefore, the total number of seizures is less than the sum of the subtotals.

³DHI is the AFP Drug Harm Index calculated as weight multiplied by DHI estimates of social cost per kg. See www.afp.gov.au/about-us/publications-and-reports/return-investment-methodology. Social costs were adjusted for inflation in June 2018.

⁴3,4-methylenedioxymethamphetamine.

⁵'Other stimulant' includes cathinone analogues, amphetamine analogues, khat, pharmaceutical stimulants such as methylphenidate and phentermine, and emerging stimulants such as ethylphenidate and methiopropamine.

⁶Opiate refers to organic analgesics such as codeine and morphine.

⁷Opioid refers to synthetic and semi-synthetic analgesics such as fentanyl, hydrocodone and tramadol.

⁸Pharmaceutical includes general over-the-counter and some prescription medications. It excludes pharmaceuticals that contain narcotics or stimulants such as codeine or dexamphetamine. These are included in the other relevant drug groups.

⁹Sedative includes GBL (gamma-butyrolactone) and GHB (gamma-hydroxybutyric acid).

¹⁰The previous published figures for Other/unknown in 2015–16 included seizures of khat, which started appearing on Australian borders in significant amounts during 2015–16. Khat is now classified under 'Other stimulant' in accordance with the Australian Standard Classification of Drugs of Concern (2011).

¹¹Seizures by other federal agencies where the drugs have been held in AFP custody are included. International seizures are excluded.

Appendix F LIST OF ANNUAL REPORT REQUIREMENTS

Below is the table set out in Schedule 2 of the Public Governance, Performance and Accountability (PGPA) Rule. Section 17AJ(d) requires this table to be included in entities' annual reports as an aid to access.

PGPA rule ref.	Description	Requirement	Page
17AD(g)	Letter of transmittal		
17AI	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	iii
17AD(h)	Aid to access		
17AJ(a)	Table of contents	Mandatory	v–vii
17AJ(b)	Alphabetical index	Mandatory	226–230
17AJ(c)	Glossary of abbreviations and acronyms	Mandatory	222–225
17AJ(d)	List of requirements	Mandatory	200–204
17AJ(e)	Details of contact officer	Mandatory	ii
17AJ(f)	Entity's website address	Mandatory	ii
17AJ(g)	Electronic address of report	Mandatory	ii
17AD(a)	Review by accountable authority		
17AD(a)	A review by the accountable authority of the entity	Mandatory	2–5
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	A description of the role and functions of the entity	Mandatory	10–11
17AE(1)(a)(ii)	A description of the organisational structure of the entity	Mandatory	12–13
17AE(1)(a)(iii)	A description of the outcomes and programmes administered by the entity	Mandatory	10–11
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan.	Mandatory	10
17AE(1)(b)	An outline of the structure of the portfolio of the entity	Portfolio departments –mandatory	n.a.
17AE(2)	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change	If applicable, mandatory	n.a.
17AD(c)	Report on the performance of the entity		
	Annual performance statements		
17AD(c)(i); 16F	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule	Mandatory	24–63
17AD(c)(ii)	Report on financial performance		
17AF(1)(a)	A discussion and analysis of the entity's financial performance	Mandatory	63
17AF(1)(b)	A table summarising the total resources and total payments of the entity	Mandatory	195–197

PGPA rule ref.	Description	Requirement	Page
17AF(2)	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstance that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results	If applicable, mandatory	n.a.
17AD(d)	Management and accountability		
	Corporate governance		
17AG(2)(a)	Information on compliance with section 10 (fraud systems)	Mandatory	126
17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	Mandatory	iii
17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place	Mandatory	iii
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	iii
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	120–128
17AG(2)(d)–(e)	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	If applicable, mandatory	n.a.
	External scrutiny		
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	128–133
17AG(3)(a)	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity	If applicable, mandatory	129
17AG(3)(b)	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a parliamentary committee, or the Commonwealth Ombudsman	If applicable, mandatory	128–130
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period	If applicable, mandatory	131
	Management of human resources		
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	134–143

PGPA rule ref.	Description	Requirement	Page
17AG(4)(b)	Statistics on the entity's APS employees on an ongoing and non-ongoing basis, including statistics on: <ul style="list-style-type: none"> • Statistics on staffing classification level • Statistics on full-time employees • Statistics on part-time employees • Statistics on gender • Statistics on staff location • Statistics on employees who identify as Indigenous 	Mandatory	185–194
17AG(4)(c)	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	Mandatory	136–137
17AG(4)(c)(i)	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c)	Mandatory	187–193
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level	Mandatory	n.a.
17AG(4)(c)(iii)	A description of non-salary benefits provided to employees	Mandatory	136–137, 169
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay	If applicable, mandatory	n.a.
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level	If applicable, mandatory	n.a.
17AG(4)(d)(iii)	Information on the average amount of performance payment, and range of such payments, at each classification level	If applicable, mandatory	n.a.
17AG(4)(d)(iv)	Information on aggregate amount of performance payments	If applicable, mandatory	n.a.
	Assets management		
17AG(5)	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	n.a.
	Purchasing		
17AG(6)	An assessment of entity performance against the Commonwealth Procurement Rules	Mandatory	143–144
	Consultants		
17AG(7)(a)	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST)	Mandatory	144
17AG(7)(b)	A statement that “ <i>During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> ”	Mandatory	144

PGPA rule ref.	Description	Requirement	Page
17AG(7)(c)	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged	Mandatory	143–145
17AG(7)(d)	A statement that <i>'Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.'</i>	Mandatory	144
Australian National Audit Office access clauses			
17AG(8)	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, mandatory	143
Exempt contracts			
17AG(9)	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, mandatory	144
Small business			
17AG(10)(a)	A statement that <i>"[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."</i>	Mandatory	145
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	145
17AG(10)(c)	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that <i>"[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."</i>	If applicable, mandatory	145
Financial statements			
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	147–176

PGPA rule ref.	Description	Requirement	Page
Other mandatory information			
17AH(1)(a)(i)	If the entity conducted advertising campaigns, a statement that “ <i>During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.</i> ”	If applicable, mandatory	184
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, mandatory	n.a.
17AH(1)(b)	A statement that “ <i>Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].</i> ”	If applicable, mandatory	145
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information	Mandatory	139
17AH(1)(d)	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	129
17AH(1)(e)	Correction of material errors in previous annual report	If applicable, mandatory	n.a.
17AH(2)	Information required by other legislation	Mandatory	205–221

Annex A
National Witness Protection Program
annual report 2017–18

Annex A
National Witness
Protection Program
annual report 2017–18

Annex A: National Witness Protection Program annual report 2017–18

Minister's introduction

I am pleased to submit the 2017–18 annual report on the operation of the National Witness Protection Program under the provisions of the *Witness Protection Act 1994* (Cth).

The report sets out the provisions of the legislation and relevant activity for the reporting period. The costs of the program are shown in the appendix to this report.

The task of providing witness protection is a highly sensitive area of law enforcement and I commend those involved with the administration and maintenance of the program.

This report has been prepared to provide as much detail as possible without prejudicing the effectiveness of the security of the National Witness Protection Program.



The Hon Peter Dutton MP
Minister for Home Affairs
10 October 2018

Annex A
National Witness
Protection Program
annual report 2017–18

Introduction

The *Witness Protection Act 1994* (Cth) (the Act) provides the statutory basis for the National Witness Protection Program (NWPP) and commenced operation on 18 April 1995.

The Act enables protection and assistance to be provided to witnesses who are assessed as being in danger because they have given, or have agreed to give, evidence or a statement on behalf of the Crown in criminal or certain other proceedings, or because of their relationship to these persons. This includes witnesses involved in operations run by the AFP, the Australian Commission for Law Enforcement Integrity, the Australian Criminal Intelligence Commission, authorised state and territory bodies and foreign law enforcement agencies.

NWPP operational costs are shared between the AFP and the approved authority that refers the witness for protection and assistance.

Foreign law enforcement agencies and the International Criminal Court can request that foreign nationals or residents be included in the NWPP. The Minister for Home Affairs must approve the inclusion of foreign nationals pursuant to sections 10 and 10A of the Act.

The AFP Commissioner administers the NWPP through the Witness Protection Committee and AFP Witness Protection. The Witness Protection Committee comprises the AFP Deputy Commissioner Capability, to whom a number of responsibilities are delegated, and the AFP's National Manager Support Capability and National Manager Organised Crime.

The Witness Protection Committee makes recommendations on the inclusion and exit of witnesses in and from the program and on the conditions of their inclusion and exit. The Officer in Charge, Witness Protection is responsible for the day-to-day operations of the NWPP.

General operations of the NWPP

The NWPP provides an environment in which participants are able to give evidence, without fear of retribution, in criminal trials that involve a significant degree of criminality at both the Commonwealth and state levels.

The majority of participants in the NWPP have been accepted into the program because of their involvement as witnesses in prosecutions relating to organised crime, large-scale importation of illegal drugs or corruption matters. One of the matters considered when deciding that a person be included in the NWPP is that there are no other viable methods of protecting the witness. Section 5 of the Act prohibits witnesses from being included in the NWPP as a reward or as a means of persuading or encouraging them to give evidence or make a statement.

Participants in the NWPP experience an initial period of restricted and arduous lifestyle because of the strict security directions employed by the NWPP that are required

to provide protection. These lifestyle restrictions are generally relaxed in time, once participants are integrated and self-sustainable within a community. The issue of self-sustainability is a key factor in determining the length of time that participants remain on the program.

In the year ending 30 June 2018, the NWPP managed 28 witness protection operations, providing protection and assistance to 54 people.

Four assessments continued over from the previous year and four assessments were commenced for inclusion into the NWPP, resulting in six people joining the NWPP. Eight people voluntarily declined to continue the assessment process, and one operation (five people) were declined approval to be included in the NWPP by the Minister for Justice. One operation was concluded, resulting in the departure of four participants from the NWPP.

The AFP's role in law enforcement is at the national and international level, as well as at the community policing level in the Australian Capital Territory (ACT). The ACT does not have a separate witness protection scheme. Any witnesses who fall under the *Witness Protection Act 1996* (ACT) are assessed for inclusion in the NWPP.

The Commissioner made no disclosures under section 27 of the Act during the reporting period.

Integrity and accountability of the NWPP

Safeguards in the Act help to ensure that the integrity and accountability of the NWPP are maintained. AFP employees deployed to witness protection either hold or occupy designated positions that have national security clearance of Negative Vetting level 2.

NWPP employees are subject to AFP anti-corruption strategies, which include drug testing in accordance with section 40M of the *Australian Federal Police Act 1979* (Cth).

The NWPP is subject to the AFP Governance Instrument Framework, which includes auditing of financial and performance management processes and compliance with the Act.

The Officer in Charge, Witness Protection presents applications for the placement of persons in the NWPP to the Witness Protection Committee. Officers who investigate the criminal matters that relate to protection of and assistance to the witness, as well as AFP employees who prepare submissions to the committee, are not involved in the decision-making process for that person's inclusion in the NWPP. This separation of responsibilities helps to ensure that decisions are made independently of operational considerations.

Complaints and reviews of decisions

The protection of information related to participants in the NWPP is of paramount concern. Therefore decisions made under the Act are not subject to the *Administrative*

Decisions (Judicial Review) Act 1977 (Cth).

AFP employees who administer the NWPP are subject to the same obligations as other members of the AFP. If a complaint is received, it will be dealt with in accordance with the *Australian Federal Police Act 1979* (Cth). Complaints against officers may also be the subject of investigation by the Commonwealth Ombudsman under the *Ombudsman Act 1976* (Cth).

In 2017–18, there was one Commonwealth Ombudsman investigation relating to the NWPP.

In 2017–18, the AFP Commissioner was not required to review any decisions made by a Deputy Commissioner to remove a person from the program involuntarily.

Performance and effectiveness of the NWPP

There were no avoidable incidents related to the NWPP during the reporting period. This includes recorded instances of direct physical attack on any participant in the NWPP.

In the past, certain entities that could compromise the security of participants in the NWPP have made attempts to locate and identify participants. However, no recorded instances occurred during the reporting period.

Section 28 of the Act protects participants' identities during court proceedings. The court can hold parts of the proceedings in private or it can make suppression orders on the publication of the evidence. Two suppression orders were required during the reporting period.

Amendment to the Act

There were no legislative amendments to the Act during the reporting period.

Complementary witness protection legislation

The purpose of section 24 of the Act is to protect the integrity of key Commonwealth documents that are needed in order for witnesses to establish new identities. All jurisdictions have enacted complementary legislation¹ which has been declared 'complementary witness protection law' under section 3 of the Act. Signed section 24 arrangements are in place in all jurisdictions except Tasmania and the Northern Territory.

¹ New South Wales – *Witness Protection Act 1995*; Queensland – *Witness Protection Act 2000*; South Australia – *Witness Protection Act 1996*; Tasmania – *Witness Protection Act 2000*; Victoria – *Witness Protection Act 1991*; Western Australia – *Witness Protection (Western Australia) Act 1996*; Australian Capital Territory – *Witness Protection Act 1996*; and Northern Territory – *Witness Protection (Northern Territory) Act 2002*.

Financial arrangements

The NWPP is administered and operated by the AFP. Basic administration costs and the base salaries of AFP employees involved in witness protection activities are met from within the AFP budget.

By arrangement with the AFP, other agencies which have witnesses in the NWPP are responsible for costs, including those related to the security and subsistence needs of their witnesses and any operational expenses that the NWPP incurs. The AFP is responsible for costs of AFP-sponsored witnesses in the NWPP.

A table of costs for the NWPP for the previous 10 financial years is in the appendix to this report. The figures do not include the salaries and overhead costs of administering the NWPP. Figures provided are correct as at 30 June 2018.

Appendix: Expenditure

Table AA1: National Witness Protection Program expenditure, 2017–18

AFP expenditure on NWPP	\$911,186.92
Less amounts recovered	-\$350,000.00
Total AFP expenditure on NWPP	\$561,186.92

Table AA2: Total expenditure (before costs were recovered) in previous years

1 July 2016 – 30 June 2017	\$658,636.17
1 July 2015 – 30 June 2016	\$883,025.10
1 July 2014 – 30 June 2015	\$712,565.61
1 July 2013 – 30 June 2014	\$688,515.13
1 July 2012 – 30 June 2013	\$1,179,698.65
1 July 2011 – 30 June 2012	\$899,942.79
1 July 2010 – 30 June 2011	\$974,316.78
1 July 2009 – 30 June 2010	\$1,245,358.72
1 July 2008 – 30 June 2009	\$1,570,620.88
1 July 2007 – 30 June 2008	\$1,047,748.52

Annex A
National Witness
Protection Program
annual report 2017–18

Annex B

Unexplained wealth investigations and proceedings, 2017–18

Annex B
Unexplained wealth
investigations and
proceedings, 2017–18

Annex B: Unexplained wealth investigations and proceedings, 2017–18

Section 179U of the *Proceeds of Crime Act 2002 (Cth)*: Parliamentary supervision

Pursuant to section 179U of the *Proceeds of Crime Act 2002 (Cth)* (POCA), the Commissioner of the Australian Federal Police (AFP) must, as soon as practicable after the end of each financial year, submit a report to the Parliamentary Joint Committee on Law Enforcement that includes the following information about unexplained wealth investigations and proceedings:

- a. the number of matters investigated in the year, by each enforcement agency, in respect of which a likely outcome may, or will, be the initiation of proceedings under Part 2-6 of the POCA and the basis for determining that number
- b. the number and results of applications in the year for:
 - (i) restraining orders under section 20A of the POCA, and
 - (ii) unexplained wealth orders
- c. any other information of a kind prescribed by the regulations.

For the financial year ending 30 June 2018:

- a. The AFP is not currently investigating any matters in respect of which a likely outcome may, or will be, the initiation of proceedings under Part 2-6 of the POCA.

The final decision regarding which Part of the POCA proceedings are commenced under is made after assessment of the investigation and completion of financial analysis and related legal deliberations.

- b. No new applications were made for:
 - (i) restraining orders under section 20A of the POCA
 - (ii) unexplained wealth orders.

However, the AFP continues to litigate three unexplained wealth matters.

- c. There is no other information relating to the administration of these regulations.

Annex C
Delayed Notification Search Warrants
annual report, 2017–18

Annex C
Delayed Notification
Search Warrants
annual report, 2017–18

Annex C:

Delayed Notification Search Warrants annual report, 2017–18

Part IAAA of the *Crimes Act 1914* (Cth)

Pursuant to section 3ZZFB of the *Crimes Act 1914* (Cth), the chief officer of the Australian Federal Police, as soon as practicable, and in any event not more than three months, after the end of financial year, must submit a report to the Minister that includes the following information:

- a. the number of applications for delayed notification search warrants made in person by eligible officers of the agency
- b. the number of applications for delayed notification search warrants made under section 3ZZBF by eligible officers of the agency
- c. the number of delayed notification search warrants issued as a result of applications referred to in paragraphs (a) and (b) and the eligible offences to which they related
- d. the number of delayed notification search warrants that were executed by an eligible officer of the agency
- e. the number of delayed notification search warrants that were executed by an eligible officer of the agency under which:
 - (i) one or more things were seized from the warrant premises; or
 - (ii) one or more things were placed in substitution at the warrant premises for a seized thing; or
 - (iii) one or more things were returned to, or retrieved from, the warrant premises; or
 - (iv) one or more things were copied, photographed, recorded, marked, tagged, operated, printed, tested or sampled at the warrant premises
- f. any other information relating to delayed notification search warrants and the administration of Part IAAA that the Minister considers appropriate.

For the year ending 30 June 2018:

- a. No applications for delayed notification search warrants were made in person by eligible officers of the agency.
- b. No applications for delayed notification search warrants were made under section 3ZZBF by eligible officers of the agency.
- c. No delayed notification search warrants were issued as a result of applications referred to in paragraphs (a) and (b) and the eligible offences to which they related.

- d. No delayed notification search warrants were executed by an eligible officer of the agency.
- e. No delayed notification search warrants were executed by an eligible officer of the agency under which:
 - (i) one or more things were seized from the warrant premises; or
 - (ii) one or more things were placed in substitution at the warrant premises for a seized thing; or
 - (iii) one or more things were returned to, or retrieved from, the warrant premises; or
 - (iv) one or more things were copied, photographed, recorded, marked, tagged, operated, printed, tested or sampled at the warrant premises.
- f. There is no other information relating to delayed notification search warrants and the administration of Part IAAA.

Annex C
Delayed Notification
Search Warrants
annual report, 2017–18

Shortened forms

ABF	Australian Border Force
ACIC	Australian Criminal Intelligence Commission
ACLEI	Australian Commission for Law Enforcement Integrity
ACSC	Australian Cyber Security Centre
ACT	Australian Capital Territory
AFP	Australian Federal Police
AFSA	Australian Financial Security Authority
AGD	Attorney-General's Department
AIPM	Australian Institute of Police Management
ANAO	Australian National Audit Office
ANZAC	Australian and New Zealand Army Corps
ANZPAA	Australia New Zealand Policing Advisory Agency
APEC	Asia-Pacific Economic Cooperation
APG	Asia-Pacific Group
APM	Australian Police Medal
app	application (computers)
ASPI	Australian Strategic Policy Institute
ASEANAPOL	Chiefs of ASEAN (Association of South East Asian Nations) Police Conference
ATM	automatic teller machine
CACT	Criminal Assets Confiscation Taskforce
CALD	culturally and linguistically diverse
CLEC	Commonwealth Law Enforcement College
Co.	Company
CPI	Consumer Price Index
Cth	Commonwealth
D2D CRC	Data to Decisions Cooperative Research Centres
DC	District of Columbia
DCB	departmental capital budget
DFAT	Department of Foreign Affairs and Trade
DHS	Department of Human Services
DNA	deoxyribonucleic acid
Dr	Doctor
EFR	Estimated Financial Return
FBT	fringe benefits tax
FER	Functional and Efficiency Review
FOI Act	Freedom of Information Act 1982
GLLO	Gay and Lesbian Liaison Officer
GPO	General Post Office
GST	goods and services tax
HMAS	Her (or His) Majesty's Australian Ship
ICT	information and communications technology
IMS	Incident Management System
INSLM	Independent National Security Legislation Monitor
IPS	Information Publication Scheme
ISSN	International Standard Serial Number
IT	information technology

JDFPG	Joint Defence Facility Pine Gap
K9	canine
kg	kilogram
KPI	key performance indicator
LGBTI	lesbian, gay, bisexual trans and intersex
m	million
MDMA	3,4-methylenedioxymethamphetamine
MFD	multifunction device
MOSC	Management of Serious Crime (course)
MP	Member of Parliament
n	number
n.a.	not applicable
NAGS	National Anti-Gangs Squad
NLEMS	National Law Enforcement Methylamphetamine Strategy
No.	number
NSW	New South Wales
NT	Northern Territory
NWPP	National Witness Protection Program
OAM	Medal of the Order of Australia
OCOA	Offshore Criminal Operations involving Australians
OECD	Organisation for Economic Cooperation and Development
OPA	Official Public Account
PBS	Performance Budget Statements
PGPA Act	Public Governance, Performance and Accountability Act 2013
PNTL	Policia Nacional de Timor-Leste
POCA	Proceeds of Crime Act 2002
PRS	Professional Standards
PSM	Public Service Medal
Pty Ltd	Proprietary Limited
PUE	power usage effectiveness
Qld	Queensland
RAMSI	Regional Assistance Mission to Solomon Islands
ROI	return on investment
RSIPF	Royal Solomon Islands Police Force
SAPP	Samoa–Australia Policing Partnership
SPS	Samoa Police Service
SA	South Australia
SBS	Special Broadcasting Service
SES	Senior Executive Service
SLG	Senior Leadership Group
SQF	Skills and Qualifications Framework
SRG	Specialist Response Group
STEM	science, technology, engineering and mathematics
Tas.	Tasmania
TLPDP	Timor-Leste Police Development Program
Vic.	Victoria
VPF	Vanuatu Police Force
WA	Western Australia

Glossary

Australian Cyber Security Centre	the Australian Government's lead agency on national cyber security. It brings together cyber security capabilities from across the Australian Government to improve Australia's cyber resilience
AFP Safe Place	a team that supports current and former AFP staff who are experiencing, have experienced or are aware of sexual assault, sexual harassment or serious bullying and harassment in or connected to the workplace
Asia Region Law Enforcement Management Program	a flagship program for emerging police managers and leaders. It addresses cross-border crimes through innovative training and cooperation
assumed identity	a fictitious identity used legitimately in support of AFP operations and authorised under Part IAC of the <i>Crimes Act 1914</i> (Cth)
Criminal Assets Confiscation Taskforce	a multi-agency taskforce led by the AFP, comprising representatives from the Australian Criminal Intelligence Commission, the Australian Taxation Office and the AFP and established in 2011 to disrupt, deter and reduce serious and organised crime by taking the profit out of crime
Crowdsource	is the practice of getting ideas or help on a project from a large number of people, usually through the internet
Cultural Change report	a report that was released on 22 August 2016 after an external review. The review was aimed to inform and support the development of the AFP's long term diversity and inclusion strategy, with a focus on gender. This is part of a broader effort to facilitate positive cultural change within the AFP
Drug Harm Index	an AFP performance measure which puts a dollar figure on the overall damage to the Australian community that has been prevented by seizing drugs at the border
Enterprise Agreement 2017–2020	an agreement that outlines the terms and conditions of employment for AFP Band 1–8 employees. The new agreement took effect on 24 May 2018 and has a nominal expiry date of 24 May 2021
Europol	the law enforcement agency of the European Union, which aims to help achieve a safer Europe by supporting member states in their fight against international serious crime and terrorism
five-eyes partners	Australia, Canada, New Zealand, the United Kingdom and the United States in an intelligence-sharing alliance
foreign bribery	directly or indirectly providing or offering a benefit that is not due legitimately to a foreign public official for the purpose of obtaining or retaining business or a business advantage
Fraud and Anti-Corruption Centre	an AFP-led, multi-agency group that focuses on preventing, detecting and investigating serious and complex fraud and corruption against the Commonwealth, including foreign bribery and identity security offences
Functional and Efficiency Review	an independent review which comprehensively assesses the efficiency and effectiveness of all aspects of an entity's operations, programs and administration to determine whether the functions and current resourcing level of the entity align with government objectives

International Operations	an AFP group located in 33 countries around the world that operates with other Australian Government and international law enforcement agencies domestically and internationally to combat transnational organised crime
Interpol	the world's largest international police organisation with 192 member countries, which facilitates cross-border police cooperation and assists agencies to prevent or combat international crime
Jakarta Centre for Law Enforcement Cooperation Foundation (JCLEC)	a bilateral partnership between Indonesia and Australia. Since its inception, JCLEC has become a centre of enforcement training excellence. It supports global endeavours to combat transnational crime and terrorism. JCLEC delivers capacity and relationship building activities in Semarang and throughout Indonesia
money-muling	an attempt to get a person to receive stolen funds into his or her bank account, and to then transfer those funds out to criminals
Phoenix review	In 2017, the AFP contracted Phoenix Australia to review its approach to mental health services and systems. The outcomes of this review were released in 2018. The review made recommendations to guide the AFP's best practice strategy for mental health and wellbeing into the future
National Anti-Gangs Squad	a multi-agency taskforce that aims to disrupt and dismantle criminal gang activity by supporting strike teams in state capitals
Northern Territory Child Abuse Taskforce (NTCAT)	a taskforce that investigates allegations of serious and complex child maltreatment across the Northern Territory. It is a partnership between the Northern Territory Police, the Northern Territory Department of Children and Families and the AFP
Unified Operational Communications (UOC)	an operational communication platform for the AFP. UOC combines communication devices and supporting software, to provide a secure, reliable, and real time capability to anyone, anywhere
street value	calculated according to the national median drug price for the specific drug as listed in the 2015–16 Australian Criminal Intelligence Commission Illicit Drug Data Report
ThinkUKnow	a program that delivers cyber safety presentations to school children. The presentations cover topics including sexting, cyber bullying, online child exploitation and online privacy. It is delivered in partnership with all state and territory police and Neighbourhood Watch Australasia
Transnational Serious and Organised Crime (TSOC) Coordinator	Its role is to lead Australia's national effort to combat the serious and rapidly evolving threats posed by TSOC. These threats include child exploitation, human trafficking and slavery, illicit drugs, illicit firearms and money laundering. The TSOC Coordinator works to the Secretary of the Department of Home Affairs on Portfolio-wide responsibilities relating to strategy and policy
Victim Based Crime	human-trafficking, people-smuggling, child exploitation and abuse, offshore criminal operations involving Australians, missing persons

Index

A

abbreviations and acronyms, 222–223

academic partnerships, 15

ACT community policing (Outcome 2), 11, 60
results summary, 63

activities, 24

administrative tribunal decisions, 129

advertising and market research, 184

AFP College security upgrade, 141

agency resource statement, 195

airports *see* aviation incidents
(performance criterion)

annual performance statements, 24–63

annual report contact officer, ii

Annual Weapons Technical Intelligence
Conference, 103

ASEANAPOL, 4

Asia Regional Law Enforcement
Management Program, 18, 46

Asia-Pacific Economic Cooperation Forum, 90

Attorney-General's Department, 19, 49–50

audit
external, 128
internal, 123–124

Auditor-General
access clauses, 143–144
reports, 128

AusTender, 143, 144

Australasian Women in Policing Awards, 73

Australian Border Force, 19, 34

Australian Criminal Intelligence Commission,
17, 41

Australian Cyber Security Centre, 36–37

Australian Federal Police (AFP)
major activities 2017–18, 15–16
organisational structure, 12–13, 66
outcomes and programs, 10–11, 26
overview, 10–20
performance criteria, 3, 20, 25–27
purpose, 10, 24
services, 10

Australian Federal Police Act 1979 (Cth), 10

Australian Financial Security Authority, 42

Australian Institute of Police Management, 111

Australian Police Medal awards, 73

Australian Taxation Office, 41

aviation incidents (performance criterion), 3,
17, 27, 76
Operation Silves, 74
response times, 58–59, 61

avoidable incidents (performance criterion),
27, 55

B

biometrics, 19

bomb scene examination, 102

Border Intelligence Unit, 101–102

bribery, foreign, 80, 82

bullying and harassment, workplace, 71, 184

business continuity, 127

C

canine team, 106–107

capability development, 2, 15, 17–20
Indo-Pacific region, 18

Capital Plan, 123

cautions, use of, 33

centenary, AFP, 2, 112

Ceremonial and Protocol team, 109

change initiatives, 123

Cheng, Mr Curtis, shooting of, 72

Chief Financial Officer portfolio, 117

Chief Operating Officer, 13

child exploitation and child sexual abuse, 3,
18, 33, 39, 43, 91
Child Protection Assessment Centre, 86
Northern Territory Child Abuse Taskforce,
39
Operation Sampson, 88
see also sex offenders, restriction on
travel

CitySwitch awards, 128

Close Protection team, 77

Code of Conduct, AFP, 132–133

co-location agreements, 117

Colvin, Andrew (AFP Commissioner), 13
 review 2017–18, 2–5

Comcare, 140

Commissioner, AFP *see* Colvin, Andrew (AFP Commissioner)

Commonwealth Games 2018, 77–78

Commonwealth Law Enforcement College, 15

Commonwealth Ombudsman, 129

Commonwealth Transnational Serious and Organised Crime Coordinator, 13
 community confidence (performance criterion), 6, 7, 25, 27–29

Community Confidence Survey, 28–29, 62

Community Liaison Teams, AFP, 73

Community Policing, 10, 11, 24–26, 60, 63

complaint handling and management, 129, 132–133, 183

conduct breaches, alleged and established, 180–182

conflict zones, travel to, 37–38, 72

consultancies, 144

contact details, ii

convictions (performance criterion), 27, 31–32, 55

corporate governance, 120–128

corporate integrity, 180–184

Corporate Plan 2017–18, 12, 25, 26, 123

Counter Terrorism Leaders Forum, 73

counter-terrorism, 3, 17, 37–38, 72–74

Covert and Capability branch, 106

Crime Operations group, 86–89

criminal asset confiscation, 17
 return on investment, 41–42

Criminal Assets Confiscation Taskforce, 80

criminal communications disruption, 81

Criminal Intelligence Doctrine, 17, 100

cultural and linguistic diversity, 16

Cultural Change report, 16, 68–69, 117

Cultural Reform Board, 5

cyber crime, 49–50

cyber safety awareness (performance criterion), 7, 27, 29–30, 40

Cyber Safety Pasifika, 49–50

cybercrime, 17, 36–37, 89

D

Data Centre Transition Program, 94–95

data theft, 89

Delayed Notification Search Warrants annual report, 219–220

Department of Home Affairs, 3–4, 95, 117

Department of Human Services, 19, 35

Department of the Environment and Energy, 87

Deputy Commissioners, 13

Detector Dog Facility, 107, 117

diplomatic community, threats to, 56–57

disability reporting, 139

disruption (performance criterion), 6, 27, 61, 81
 international operations, 43–47
 national policing, 32–35

diversity and inclusion, workforce, 16

domestic violence *see* Family and Domestic Violence Strategy, AFP

drug testing program, AFP, 183

drugs, illicit, 7
 Operation Ligar, 84
 Operation Okesi, 44
 Operation Shenzi, 103
 seizures, 3, 18, 19, 35, 44, 199
 trafficking, 45–46, 47, 90, 92

E

ecological sustainability, 127–128

enterprise agreements, 114, 136, 137

Enterprise Portfolio Management Office, 123

Europol, 4, 37

exempt contracts, 144

expenditure, 63

expenses for outcomes, 196–197

external scrutiny, 128–132

external territories, 3, 60

extremism *see* counter-terrorism

F

facilities security, 115, 135
 fact sheets, educational, 40
Family and Domestic Violence Strategy, AFP, 69
 Federal Policing and National Security (Program 1.1), 11
 feedback, community and stakeholder, 28–31
 financial management, 143–145
 financial performance, 63
 financial statements, 148–176
 fingerprinting, 102
 Five Eyes partners, 4, 73
 fixated individuals, 57
 forced labour, 34, 39
 forced marriage, 39
Foreign Policy White Paper 2017, 15, 93
 forensics, 19, 100–104
 Fraud and Anti-Corruption Centre, 80
 fraud control, 124, 126
 freedom of information, 129
 Functional and Efficiency Review, 15
 funeral support and assistance, 109
 Future Ready Plan, 15
 future workforce model, 20, 135
 Futures Centre, AFP, 98

G

gender balance, workforce, 16, 116
 glossary, 224–225
 Governance Instrument Framework, 126
 grants, 145

H

hazardous material laboratory, 19
 Heads of Government and Heads of State, visits by, 77
Health and Wellbeing Strategy 2018–2023, 115
 high office holders, protection of, 56–57
 Honours and Awards team, AFP, 109

human trafficking *see* slavery and human trafficking

I

ICT Services Dashboard, 96
 illegal drugs *see* drugs, illicit
 illegal workers, 34
 independent reviews, 131
 Indonesian National Police, 51
 information and communications technology, 94–97
 Information Publication Scheme, 129
 innovation platform, 95
 Integrity Framework, 131
 intelligence activities, 17, 100–104
 International Day against Homophobia, Transphobia and Biphobia, 16
 International Intelligence Team, 101
 international operations, 24, 42–54, 90–93
 return on investment, 48
 International Police Assistance (Program 1.2), 11
 internationally protected persons, 56–57
 INTERPOL, 4
 investigations, 6, 31–33, 55, 56, 86–89
 investment planning framework, 95
 Islamic State propaganda, 38

J

Jakarta Centre for Law Enforcement Cooperation, 19, 110
 Joint Agency Child Exploitation Team, 88
 Joint Counter Terrorism Teams, 17
 judicial decisions, 129

L

legislative framework, 10
 legislative review, contributions to, 19
 lesbian, gay, bisexual, transgender and intersex community, 138–139
 locations, iv
 lone actors, 57

M

Magenta Heart matter, 88
major activities 2017–18, 15–16
medals, operations and service, 109
Medicare fraud, 35
mental health and wellbeing, 5, 16, 131
mentoring and training, external, 18, 19, 39, 40, 49–50, 142
Mexico post, 91
MH17 forensic investigation, 104
Minister for Home Affairs, 12
mission/external territories (performance criterion), 27, 51–54, 60
mission evaluation programs, 54
Mission Performance Reports, 51–53
money laundering, 18
money mules, 37

N

National Action Plan to Combat Human Trafficking and Slavery, 39
national and international policing (Outcome 1), 11
change to performance framework, 25
international operations performance, 42–54
national policing performance, 28–42
performance criteria, 25–27
results summary, 27–62
National Anti-Gangs Squad, 80
National Canine Operations Centre, 106–107
National Child Offender System, 50
National Police Remembrance Day service, 109
National Witness Protection Program annual report, 207–211
Netherlands National Police, 46
non-financial performance statistics, 198–199
Northern Territory Child Abuse Taskforce, 39
notifiable incidents, 140

O

offensive materials, classification of, 97
Office of the Australian Information Commissioner, 129
offices, iv
operational pillars, 66–67
operations, 43
Alpen (Commonwealth Games 2018), 78
Arew (MH17), 104
Astatine (organised crime), 83
Blare (foreign bribery), 82
Elbrus (tax fraud), 83
Kerguelan (organised crime), 47
Ligar (methamphetamine), 84
Lumparn (cybercrime), 89
Melville (wildlife smuggling), 87
Murray (illegal release of police information), 70
Okesi (illicit drugs), 44
Peqin (shooting of Mr Curtis Cheng), 72
Rune (foreign bribery), 82
Sampson (child exploitation), 88
Shenzi (illegal drugs), 103
Sives (terrorist threat to aviation security), 74
Taforalt (money-muling activities), 37
Telchar (foreign bribery), 82
Veyda (organised crime), 45

Operations Coordination Centre, AFP, 106
organisational structure, 12–13, 66
organised crime *see* serious and organised crime
outcomes and programs, 10–11, 26
outlaw motorcycle gangs, 51
overseas liaison posts, 7
overview, 10–20

P

Pacific Cybercrime Training Program, 50
Pacific Forensics Working Group, 102
Pacific Island police officers, 18
Parliament House, protection of, 3, 56–57
parliamentary committee reports, 130
partnerships and collaboration, 3, 15
Australian Cyber Security Centre, 36

Commonwealth Games 2018, 78
 Criminal Assets Confiscation Taskforce, 41
 Cyber Safety Pasifika, 49–50
 Five Eyes partners, 4, 73
 Foreign Policy White Paper, 15, 93
 industry, 15, 19, 40
 Jakarta Centre for Law Enforcement Cooperation, 19, 110
 Joint Counter Terrorism Team, 72, 74
 Northern Territory Child Abuse Taskforce, 39
 Operation Lumparn, 89
 Operation Sampson, 88
 Operation Taforalt, 37
 overseas agencies, 4, 7, 17, 18, 35, 37, 43–54
 state, territory and Commonwealth partners, 19, 34–35, 57
 ThinkUKnow program, 40
 VIP visits to Australia, 77
 People Analytics dashboard, 96
 People, Safety and Security team, 114–117
 performance criteria, 25–27
 revision, 3, 20
 performance framework, 10–11, 26
 changes in 2017–18, 25, 28, 32, 36
 Phoenix review, 131
 Pine Gap facility, 76
 police assistance missions, AFP, 51–54
 police information, illegal release of, 70
 Policing for a Safer Australia strategy, 98
 prevention (performance criterion), 36–40, 49–51, 56–59, 61
 private information, theft of, 35
Proceeds of Crime Act 2002 (Cth), 10
 procurement, 143–144
 professional standards, 70–71, 131–133
see also conduct breaches, alleged and established
 Professional Standards Panel, 69
 programs, 10–11, 26
 Property and Exhibits capability, 108
 prosecutions, 31–32, 55, 61
 Protection, 24, 55–60

Protection Operations, 76–78
 protective security, 76–78, 135
 purpose, 10, 24

R

radicalisation, activities to counter, 37–38
Reconciliation Action Plan 2018–2020, 16, 68
 records management and warehousing, 117
 recruits, 141
 Reform, Culture and Standards portfolio, 68–71, 131–132
 remuneration, staff, 136
 resourcing model, 15
 return on investment measures, 25, 40–42, 48, 61
 revenue, 63
 risk management, 124–125
 role and purpose, 10–11, 24

S

Safe Place team, 71
 security assessments, 76
 security briefings, 56
 security clearance and vetting capability, 115, 135
 security patrols, 58
 Senior Executive Service remuneration, 136
 senior management committees, 120–122, 123–124
 serious and organised crime, 3, 12, 17
 communications disruption activities, 81
 Operation Astatine, 83
 Operation Kerguelen, 47
 Operation Veyda, 45–46
 transnational, 17, 90–92
 Serious Financial Crimes Taskforce, 80
 services, 10
 sex offenders, restriction on travel, 18, 50, 90–91
 sexual assault and harassment, 71, 184
 shortened forms, 222–223
 significant achievements, 6–7
 slavery and human trafficking, 34, 39

- small business procurement, 145
- social media, 7, 40
- soil sampling, 19
- South East Asia Bomb Data Centre Working Group, 103
- Specialist Operations group, 100–104
- Specialist Response Group, 106
- staff survey, 16
- staffing statistics, 185–194
- stakeholder satisfaction (performance criterion), 6, 27
 - international operations, 42–43
 - national policing, 30–31
 - Protection, 59–60, 61
- Staying in Touch Program, 69
- Stonefish, Project, 97
- strategic initiatives, 14–20, 123
- Strategic Workforce Plan 2018–2022*, 16, 135
- structural changes, 12
- Support Capability group, 106–107
- surveys
 - community, 28–29, 62
 - staff, 16
- stakeholder, 30–31, 42–43

T

- Taskforce Blaze (illicit drugs from China), 18, 92
- Taskforce Storm (illicit drugs from Thailand), 18, 92
- tax fraud, 83
- technological innovation and development, 16, 19, 94–97
- Technology and Innovation Strategic Plan 2017–2020*, 94
- ThinkUKnow program, 7, 29–30, 40
- Trade Union Taskforce, 80
- transnational crime, 86–89
 - return on investment, 40–41, 61

U

- unexplained wealth investigations and proceedings, 215
- Unified Operational Communications program, 96
- United States Drug Enforcement Administration, 47

V

- Vanuatu Police Force, 49
- violent extremism see counter-terrorism
- VIP visits, 77
- visible policing, use of, 58
- vision, 10

W

- website, ii
- wildlife smuggling, 87
- Witness Protection Act 1994* (Cth), 10
- women in AFP, 16, 116, 134
- work health, safety and rehabilitation, 139–140
- workforce
 - diversity and inclusion, 20, 138–139
 - employment arrangements, 114, 136–137
 - gender balance, 16, 116, 134
 - overview, 134
 - performance management, 137
 - planning, 135
 - professional standards, 20
 - protection and safety, 135
 - recruitment, 20, 138
 - security, 135
 - statistics, 185–194
 - training and development, 20, 111, 116, 117, 140–143
 - turnover and retention, 134, 137
- Workforce and Development portfolio, 108–112
- workshops and presentations
 - cyber safety awareness, 40
 - Northern Territory Child Abuse Taskforce, 39
 - ThinkUKnow (cyber safety awareness), 29–30

This page is intentionally blank



AFP

AUSTRALIAN FEDERAL POLICE

POLICING FOR
A SAFER AUSTRALIA

