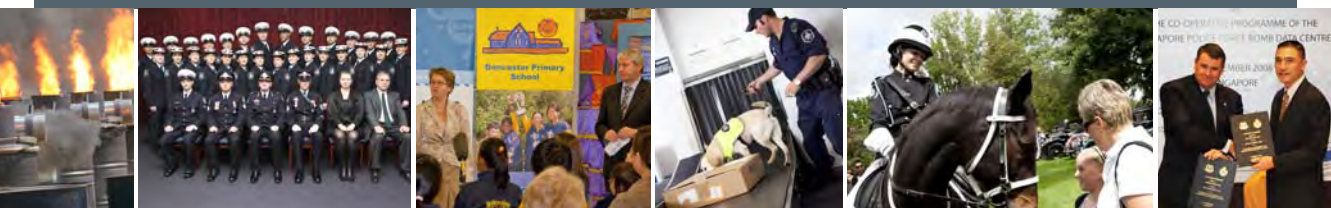




AFP
AUSTRALIAN FEDERAL POLICE

Annual Report



09-10



AFP
AUSTRALIAN FEDERAL POLICE

Annual Report



09-10

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www.afp.gov.au/media-centre/publications/annual-reports.aspx

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Letter of Transmittal

30 September 2010

The Hon Brendan O'Connor MP
Minister for Home Affairs
House of Representatives
Parliament House
Canberra ACT 2600

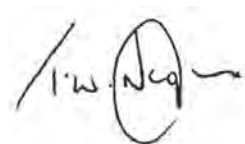
Dear Minister

I am pleased to submit the *Australian Federal Police Annual Report* for the year 1 July 2009 to 30 June 2010. The report has been prepared in accordance with the *Australian Federal Police Act 1979* and the *Financial Management and Accountability Act 1997*.

This report summarises the performance of the Australian Federal Police for 2009-10 and includes the audited financial statements.

A copy of this report is to be laid before each House of Parliament on or before 31 October 2010.

In accordance with Guidelines 1.9 and 2.8 of the *Commonwealth Fraud Control Guidelines*, I hereby certify that I am satisfied that the Australian Federal Police has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes to meet the specific needs of the Australian Federal Police and complies with the *Commonwealth Fraud Control Guidelines*.

A handwritten signature in black ink, appearing to read 'T. Negus', with a stylized flourish at the end.

Tony Negus APM
Commissioner

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About this Report

The Australian Federal Police Annual Report is the organisation's primary accountability document to the Australian Parliament and to the Australian people. The document contains information about the responsibilities of the AFP as a federal agency and reports on the performance of those responsibilities. This report also includes information on the AFP's corporate governance and management accountability framework and includes an assessment of the AFP's performance against the program reporting framework set out in the 2009-10 Portfolio Budget Statements.

The report contains information prescribed by the *Requirements for Annual Reports for Departments, Executive Agencies and Financial Management and Accountability Act 1997 (FMA Act) Bodies*, dated 23 June 2010. This information is contained within a narrative of the AFP's activities for 2009-10, and is summarised in the following chapter-by-chapter guide.

- Chapter 1 contains the AFP Commissioner's review of the year's activities, an overview of the AFP and organisation charts.
- Chapter 2 provides a summary of the AFP's performance outcomes under Outcome 1.
- Chapter 3 provides details of the AFP's deliverables and operational performance as well as a selection of significant operational events for 2009-10.
- Chapter 4 reports on the AFP's corporate support performance.
- Chapter 5 reports on the AFP's governance and accountability processes.
- Chapter 6 reports on the activities of the AFP's policing activities in the Australian Capital Territory (ACT Policing) in general terms under Outcome 2.
- The Appendixes provide ready reference to a wide range of AFP statistical information.
- The audited Financial Statements show the AFP's financial performance.
- The Glossary and Indexes support the reader's ability to understand acronyms and terminology used in this report and to locate specific information by key words.



01

Executive Review

Australian Federal Police / **Annual Report 2009-10**



Executive Review



Overview

The AFP is increasingly being called on to deal with a range of complex operations dealing with serious and organised crime and national security issues. The growing scope of our business activities was recognised in the Federal Audit of Police Capabilities and helped to inform our decision to redefine our operations during 2009-10.

Resources from our international, border, economic and special operations areas have also been reallocated within two new portfolios, Serious and Organised Crime and Crime Operations. Together, these functions form the AFP's Crime Program.

A key benefit of structuring our operations in this way has been to provide a broader view of criminal activity. This recognises that syndicates are rarely involved in just one type of illicit behaviour, and we now have a more effective and streamlined approach to conducting our operations.

This realignment also recognises the Australian Government's broadened approach to national security, incorporating the Commonwealth Organised Crime Strategic Framework, and reinforces our ability to disrupt and dismantle the criminal syndicates which seek to exploit vulnerable members of our society.

These changes also resulted in the AFP creating a third Deputy Commissioner position—Deputy Commissioner Close Operations Support.

During the reporting period the AFP's National Headquarters relocated to the Edmund Barton Building in Canberra's parliamentary precinct.

For the first time in our history we have a permanent national headquarters, which appropriately is in close proximity to our key partner agencies. Two thousand members from across the capital are now based in the heritage-listed building, which has been refurbished to meet stringent environmental and heritage guidelines. The consolidation of staff into one building has been a major achievement for the AFP.

To more effectively manage and strengthen operational support services, the AFP has been actively working on measures to reduce supplier costs and to rationalise and consolidate corporate functions. This is also assisting the AFP to identify areas of duplication so a more streamlined and efficient approach to our business is adopted.

In 2009-10 the AFP also supported a number of off-shore investigations into terrorist related activity in south-east Asia, contributed to the Australian Government's Counter Terrorism White Paper and finalised implementation of the Street Review and Clarke Inquiry recommendations.

Mr Michael Keelty APM completed eight years as Commissioner on 2 September 2009 following 30 years service with the AFP. The Federal Audit of Police Capabilities acknowledged the "overwhelming successful transition" of the AFP to its contemporary role during this period.

Operational Outlook

During the 2009-10 reporting period we had a number of operational successes which demonstrate the breadth of our activities and the depth and diversity of knowledge and experience that can be found in the AFP.

The High Tech Crime Operations portfolio provides the AFP with an enhanced capability to investigate, disrupt and prosecute offenders who are committing serious and complex technology crimes.

The portfolio provides a highly technical investigative capability by actively anticipating and identifying emerging technology challenges for law enforcement, and by engaging with domestic and foreign law enforcement

agencies, government, industry, academia and the public.

Representative of this engagement is the appointment of the National Manager of High Tech Crime Operations to the Chair of the Virtual Global Taskforce, an international body made up of seven countries committed to the investigation of online child exploitation and abuse.

In an effort to raise awareness of the issues facing youth online, High Tech Crime Operations launched the cyber-safety program, ThinkUKnow, across Australia during 2010.

ThinkUKnow Australia is a partnership between Microsoft Australia, the AFP and ninemsn that delivers interactive presentations to parents, carers and teachers through primary and secondary schools.

AFP Child Protection Unit conducted, Operation Ramillies which began from a referral from Europe that identified 1,768 unique Australia-based internet protocol addresses. To date, 726 suspects have been identified and are currently being referred to AFP investigations team and State and Territory agencies.

Over the past decade it has become clear that Australia's drug-using population is moving away from the wide-scale use of opiates and toward synthetic drugs such as ice and ecstasy. Due to the tightening of domestic controls on the precursor chemicals needed to manufacture these drugs, criminals are sourcing them offshore. This led to some of the AFP's largest seizures during 2009-10.

For example, in August 2009, 99 kilograms of pseudoephedrine was seized in Sydney, while in early 2010 two men were arrested for importing 50 kilograms of crystal methamphetamine

(ice) from China. Other key seizures include the confiscation of 240 kilograms of cocaine that arrived in Melbourne from Mexico and a separate operation which resulted in the seizure of 80 kilograms of cocaine imported from China.

While total seizures of drugs by Federal agencies rose significantly during the reporting period, the total weight of drugs seized was lower than in previous years, thereby impacting the Drug Harm Index results.

To complement Australia's National Drug Strategy, and as part of a national plan to expand forensic drug intelligence across all Australian jurisdictions, in 2009-10 the AFP opened the Australian Illicit Drug Data Centre. The centre will analyse and help build a picture of drug distribution across Australia by testing samples obtained from Federal agencies as well as State and Territory Police. This is a concrete example of the AFP's commitment to working with other jurisdictions to combat the illegal use of drugs in our communities.

The AFP is also committed to working with our overseas law enforcement partners to combat illicit drug trafficking. Our Specialist Response Amphetamine Type Stimulants Team has, to date, helped stop the production of illicit drugs worth around \$15 billion. A key operation during the reporting period included working with Cambodian authorities to destroy 15 tonnes of Safrule oil, a chemical used in the production of ecstasy.

Another key area of cooperation with our overseas counterparts is in relation to combating people smuggling activities. In the 2009-10 Budget the AFP received \$48.4 million to help combat people smuggling activities. This enables us to work more closely with our partner

agencies in a number of countries to disrupt maritime people smuggling ventures. Between September 2008 and June 2010, joint operations led to the prosecution of 138 people associated with the smuggling of more than 2000 people by boat to Australia. More than 192 planned people smuggling ventures in Malaysia, Sri Lanka and Indonesia were also disrupted. This stopped more than 5000 people attempting a hazardous sea journey and led to the arrest of 155 people smugglers.

A proportion of the funding has also been used to enhance law enforcement capabilities across the region through in-country operations support. This includes the establishment of a new AFP liaison post in Sri Lanka and the placement of dedicated people smuggling liaison and intelligence officers in Indonesia, Thailand, Malaysia, Sri Lanka and Pakistan.

The AFP also worked closely with the Australian Customs and Border Protection Service and the Department of Immigration and Citizenship during 2009-10, providing investigators and intelligence analysts to specialist people smuggling strike teams in Sydney, Melbourne and Perth.

During the reporting period the Australian Government announced changes to the Australian Support for Victims of People Trafficking Program. This provides a more flexible framework for us to support victims and their families in line with international best-practice. The AFP is also in the process of developing engagement strategies that will raise community awareness of the AFP's role in combating human trafficking.

Recently there have been a number of significant sentencing decisions in relation to human trafficking offences,

including the imprisonment of two men for 14 years for illegally possessing and exercising the power of ownership over a person. In a separate matter, a Sydney woman pleaded guilty to offences relating to the sexual servitude of 11 Thai women.

The AFP's International Network plays an important role in the success of this organisation's operational activities overseas, contributing positively to our ability to combat transnational criminal activity and maintain regional security. As an example, our members working in the Australian-Cambodian Transnational Crime Team took part in an investigation which led to the arrest of 10 people for trafficking heroin, ice, and precursor materials used in the manufacture of amphetamine type substances. Money and vehicles were also seized during the operation, along with more than US\$300,000 in counterfeit currency.

The expansion of our International Network during 2009-10 included the creation of a liaison post in India for the first time. This post will have an important role in the lead-up to the 2010 Commonwealth Games. In another development, a Joint Transnational Crime Centre in Vietnam's Ho Chi Minh City was opened with support from the AFP to enhance information and intelligence sharing in relation to transnational crime issues. Similar centres are also being established in Cambodia and Colombia.

We also actively engage with our international counterparts to combat the threat that terrorism poses in our region. The AFP has counter terrorism teams in Jakarta, Indonesia and Manila, Philippines which provide investigative, forensic and analytical support to our regional partners. The teams are also involved in developing the capabilities of local policing agencies and have helped to establish bomb data

centres in Indonesia, the Philippines, Malaysia and Thailand. They have also worked with Indonesian authorities to build a DNA laboratory with large-scale disaster victim identification capabilities.

However, fighting terrorism involves more than a collaborative effort between law enforcement agencies. The AFP has long recognised the need for community involvement through programs such as the National Community Engagement Strategy, which was implemented during 2009-10. Through a combination of traditional investigative policing and community liaison, the AFP will continue to work with its partners to keep Australia free from a terrorist incident. The success of this strategy, thus far, can be seen in the conviction of 10 males in relation to terrorism offences during 2009-10. A further nine alleged offenders are currently before the courts.

Another core element of AFP operations is the investigation of financial crime, which includes providing support to other Commonwealth agencies involved in fraud prevention and disruption activities. During the reporting period, joint investigations with our NSW partner agencies resulted in the seizure of \$7.8 million, believed to be the proceeds of crime from a transnational drug trafficking syndicate. Another investigation into suspicious transfers of large amounts of money from Australia to Vietnam resulted in the seizure of more than \$9 million in cash.

Investigations into tax fraud during 2009-10 resulted in the sentencing of a prominent businessman for defrauding the Commonwealth of more than \$300,000. A joint investigation by the AFP, the Australian Tax Office and the Australian Customs and Border Protection Service also resulted in prosecutions relating to a duty-free

scam in Queensland that attempted to defraud the Commonwealth of approximately \$13 million.

Project Wickenby continues to achieve results and illustrates the success that can be created through joint agency cooperation. During 2009-10 the AFP instigated court proceedings against 10 people and executed 54 search warrants for Project Wickenby operations. In all, 44 people have now been charged with serious fraud and money laundering offences and, to date, four have been convicted and are serving custodial sentences.

The AFP, through its participation in the National Identity Security Strategy and as Chair of the Opal Group (a number of Commonwealth agencies with responsibility for identity crime enforcement issues), plays a key role in identifying, investigating and prosecuting identity crime. A major success during 2009-10 was shutting down a syndicate that was producing and using counterfeit identity documents and credit cards.

During 2009-10 the AFP's Aviation portfolio also contributed to Australia's security by maintaining a safe and secure environment at our 11 major airports. During the reporting period the Aviation portfolio dealt with more than 38,000 cases across all functions, classified as both criminal and non-criminal matters. It is thought the high number of incidents reported to police is a reflection of the public's increasing familiarity with an AFP presence at the airports and a willingness to interact, rather than an overall increase in the level of crime.

In response to recommendations made by the Federal Audit of Police Capabilities (the Beale Review), the way the AFP manages policing at Australian airports will evolve over the next three to five years from the current Unified Policing Model, which relies on each State and Territory seconding police from their

jurisdiction, to an All-In Policing Model that requires all officers to be sworn members of the AFP.

The existing Counter Terrorism First Response function will also be integrated into the new model while the Joint Airport Investigations teams and Joint Airport Intelligence groups will remain a mix of State, Territory and Federal police officers. These changes are designed to improve the efficiency and effectiveness of the AFP's airport and policing security services.

In 2009-10 the AFP Canine Operations Centre continued to train Explosive Detection Canine teams to fulfil its obligation to provide this service at major airports. In March 2010, the Australian Government announced additional funding of more than \$17.8 million to provide a 50 per cent increase in canine capability to target international flights in and out of Australian airports.

Preventing and prosecuting crimes against the environment often requires strong partnerships between government agencies, policing jurisdictions and the community. During 2009-10 the AFP improved its processes for referring investigations to increase the likelihood of successful prosecutions. An investigation into a bulk carrier that entered restricted zones of the Great Barrier Reef Marine Park resulted in three ship's officers being found guilty of breaching Australian maritime law. They were each fined \$70,000, the largest penalties recorded for this type of offence to date.

The AFP's role in peacekeeping and policing capacity building in Australia's overseas missions is managed by our International Deployment Group. The group was established in 2004 to manage the AFP's off-shore deployments, including short-term stability operations and longer-term capacity development missions.

Our role in Afghanistan continues this tradition, with 28 AFP officers helping to improve peace and stability through supporting the Afghan National Police. The AFP helps to train Afghan police recruits and supports the Afghan National Police develop their planning and capability functions. We also work closely with other law enforcement agencies in Afghanistan in support of counter-narcotics efforts.

A particular success for the AFP in Afghanistan in 2009-10 was its participation in a joint Major Crime Task Force operation that resulted in the arrest of corrupt Afghan police officials for drug trafficking and arms smuggling offences.

Closer to home, the International Deployment Group also supports a number of Pacific Police Development Programs, providing significant resources to developing local policing skills in governance, values and the rule of law.

Business Outlook

The 2009-10 reporting year has been one of change for the AFP. Of particular significance has been the evolution in our budgetary process, which has allowed us a greater degree of flexibility in the way we allocate resources. The Federal Audit of Police Capabilities recommended significant changes to our operational responses and to our business activities that will deliver significant benefits to the AFP in coming years.

The Audit found that nearly three-quarters of all AFP funding was tied to terminating, lapsing or otherwise time-limited New Policy Proposals, many of which related to core areas of AFP business such as people smuggling, regional counter terrorism capabilities and the Unified Policing Model at Australia's major airports.

This type of funding arrangement was a significant inhibitor to medium to long term planning and created flow-on problems, particularly in relation to the engagement and training of staff and the acquisition of appropriate equipment and capital items.

Future Outlook

The AFP is well positioned to meet the policing needs of the Australian community into the second decade of the 21st Century. In addition to moving into a permanent National Headquarters for the first time in our history, we also have greater autonomy in determining how we resource activities that are central to our operational obligations.

My Executive team is progressing a range of programs that will strengthen the AFP's investigative capabilities, optimise our use of resources, enhance the flexibilities of our workforce and increase the use of intelligence and analysis to more effectively target criminal and security operations.

Our commitment to combating criminal activity against the Commonwealth in all its forms and a renewed focus on investigational outcomes, promises to make the next year an exciting one for the organisation.

We are also looking forward to increased interoperability with our partner agencies and strengthening our relationships with our international counterparts.

I look forward to the Australian Federal Police continuing to serve the needs of the Australian community.

T. W. Negus APM
Commissioner

Overview of the AFP

The AFP's strategic priorities are determined in accordance with section 8 of the *Australian Federal Police Act 1979* (the Act) and Ministerial Directions issued under section 37(2) of the Act. These strategic priorities are reflected in the Strategic Direction Statement and the outcomes, programs, performance indicators and resources articulated in the Portfolio Budget Statement.

The role of the AFP is to enforce Commonwealth criminal law, to contribute to combating organised crime, and to protect Commonwealth and national interests from criminal activity in Australia and overseas. The AFP is also Australia's international law enforcement and policing representative and the Australian Government's chief source of advice on policing issues.

Section 8 of the Act outlines the functions of the AFP, which are:

- the provision of police services in relation to the laws of the Commonwealth, the property of the Commonwealth (including Commonwealth places) and property of authorities of the Commonwealth
- safeguarding Commonwealth interests, and anything else that is incidental or conducive to the provision of these services
- the provision of police services in relation to the Australian Capital Territory and Australia's External Territories
- protective and custodial functions as directed by the Minister
- the provision of police services and police support services to assist, or cooperate with, an Australian or foreign law enforcement agency, intelligence or security agency, or government regulatory agency
- the provision of police services and police support services to establish, develop and monitor peace, stability and security in foreign countries.

As a result of the Federal Audit of Police Capabilities delivered by Mr Roger Beale AO in 2009, the AFP consolidated its key national capabilities around three core operational programs: security and protection, international deployments, and serious crime.

This rationalised the previous seven programs into four focused programs and will allow greater flexibility in directing resources to emerging and priority needs. The new structure began to take practical effect during the 2009-10 financial year and will formally commence on 1 July 2010.

The AFP's focus remained on reducing criminal and other security threats to Australia's collective economic and societal interests during 2009-10 and, in collaboration with our domestic and regional law enforcement partners, our key outcomes encompassed:

- countering the threat of terrorism to Australians and Australian interests, both nationally and internationally
- providing assistance to the Pacific region and to other areas of national interest such as Papua New Guinea, Timor-Leste and Afghanistan to strengthen order and their rule of law
- preventing and investigating organised and serious criminal activity affecting Australians and Australian interests
- countering the threat posed by high-tech and cyber crime.

Reporting structure from July 2009

The programs which took effect in July 2009, and for which the budget and performance indicators were set, were:

Outcome 1

The safety and security of Australians and Australian interests, both nationally and internationally, through the investigation and prevention of crime against the Commonwealth.

Program 1.1 Criminal Investigations, which includes Border, the International Network, Economic and Special Operations and Counter Terrorism.

This program sought to ensure the safety and security of Australians and Australian interests through the investigation and prevention of organised crime, money laundering and terrorism.

Program 1.2 Close Operational Support, which includes High Tech Crime Operations, Forensic and Data Centres and Intelligence

Program 1.3 Protection Services

This program sought to provide protection services to ensure Australian individuals and interests were kept safe from acts of violence, terrorism and violent protest.

Program 1.4 International Deployment Services

The AFP's International Deployment Group delivers initiatives on behalf of the Australian Government aimed at improving regional and international security stability and governance.

Program 1.5 Aviation Services

Aviation contributed to Australia's national aviation security framework by providing a safe and secure environment at Australian domestic and international airports.

Program 1.6 International Police Development

The AFP's international police development program contributed to national security by providing policing support for enhanced rule of law through improvements to international security and socioeconomic development by enhancing the effectiveness of, and public confidence in, international police.

Program 1.7 Other Administered items

Outcome 2

Outcome 2 contributes to a safe and secure environment through policing activities on behalf of the Australian Capital Territory Government.

Reporting structure from July 2010

While the AFP operated under the outcome structure outlined in the performance summary for most of 2009-10 it was moving towards a new, more streamlined structure to take effect from 1 July 2010.

The revised Outcome 1 statement and associated programs which formally took effect from 1 July 2010 are:

Outcome 1

Outcome 1 contributes to reduced criminal and security threats to Australia's economic and societal interests through cooperative policing services.

Program 1.1 National Security—Policing

This program's primary focus is on prevention. Contributing Functions: Counter Terrorism, Aviation, Protection.

Program 1.2 International Deployments

The International Deployment Group delivers initiatives on behalf of the Australian Government aimed at improving regional and international security, stability and governance.

Program 1.3 Operations—Policing

This program sought to reduce criminal threats to Australia's collective economic and societal interests by employing a multi-dimensional, multi-disciplinary approach to the fight against crimes against the Commonwealth. Contributing Functions: Serious and Organised Crime, Crime Operations.

Program 1.4 Close Operational Support

This program provided specialist support to the AFP's national security and operations programs, in particular addressing advancements in technology and science.

Ministerial direction

The Ministerial direction to the AFP Commissioner issued in August 2008 directed the AFP to focus on:

- countering the threat of terrorism and ensuring the safety and security of Australians and Australian interests, both at home and abroad
- preventing, deterring, disrupting and investigating serious and organised criminal activities impacting on the interests of the Australian community

- safeguarding the economic interests of the nation from serious fraud, money laundering, corruption, intellectual property crime and technology-enabled crime
- ensuring that individuals, establishments and events identified by the Australian Government as being at-risk were protected
- contributing effectively to the Government's international law enforcement interests through collaborations with other agencies to combat transnational organised crime, responding to emergencies, contributing to law and order capacity-building missions, and participation in United Nations and other internationally-mandated peace operations
- achieving and maintaining a technological edge over criminals through sharing knowledge and capabilities with strategic partners to counter the threat of cyber crime
- identifying emerging criminal threats to the national interest and advising on appropriate policy approaches, strategies and treatments to counter those threats
- actively contributing to broader government programs and initiatives requiring the engagement of law enforcement capabilities to aid their successful implementation.

As of 1 July 2010 other key strategic priorities will be added to the list:

- supporting the implementation of the Commonwealth Organised Crime Framework
- contributing to Australia's border management and security
- leading the law enforcement aspects of aviation security.

The AFP is also emerging from a period of significant review and realignment following a number of key Government white papers and reviews. They include the:

- Clarke Inquiry
- Street Review
- Federal Audit of Police Capabilities (the Beale Review)
- Layers of Aviation Security Review
- Counter Terrorism White Paper
- Aviation White Paper.

Every recommendation accepted by the Australian Government from these reviews that was relevant to the AFP was fully implemented during the 2009-10 reporting period.

Strategic Leaders Group

The Strategic Leaders Group was established during 2007-08, replacing the former Executive Management Board and National Managers' Group. The group is the AFP's peak advisory committee and assists the AFP Commissioner in making decisions and exercising his statutory responsibilities. The group also supports the Commissioner in developing and enhancing partnerships with external stakeholders.

The group's membership comprises the Commissioner (the Chair), Deputy Commissioners, Chief Operating Officer, Chief Police Officer ACT Policing, National Managers, Chief of Staff (Secretariat) and non-executive members. During 2009-10, the two non-executive members were Mr Will Laurie and Mr Ric Smith.

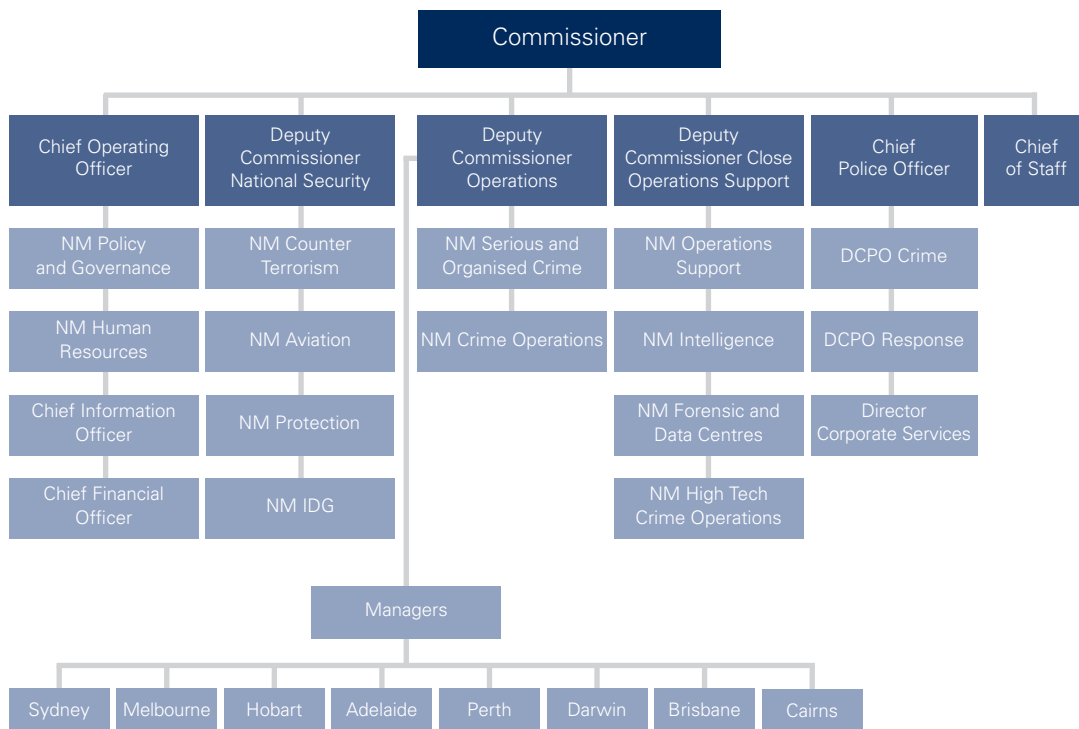
The role of this group includes reviewing and guiding the AFP's strategic direction, consistent with the Ministerial direction. During its bi-monthly meetings in 2009-10, which included a two-day annual retreat, a range of strategic issues were considered.

These included:

- the implementation of recommendations generated from internal and external reviews
- the restructure of the organisation, with a focus on Serious and Organised Crime, Crime Operations, Aviation, Close Operations Support and the Intelligence functions
- the further development of business, risk and workforce planning, including a closer focus on operational performance
- the establishment of a review to map business processes and eliminate duplication or low-value processes
- budget bids and new policy proposals
- the AFP International Engagement Strategy
- consideration of emerging priorities, including investigative capacities, the development of an integrated workforce across the national security portfolio and the broader operational and close operations support areas, and consolidation of corporate functions across the organisation.

Organisation Chart

Chart A: The AFP's organisational structure at 30 June 2010



Executive Team

Chart B: The AFP's Executive structure at 30 June 2010



A close-up photograph of an Australian Federal Police uniform. The focus is on the right shoulder, showing a detailed crest with a star and the words 'AUSTRALIAN FEDERAL POLICE'. The background is slightly blurred, showing other parts of the uniform.

02

Performance Summary

Australian Federal Police / **Annual Report 2009-10**



Performance Summary

Summary of Performance

The AFP met or exceeded the targets set for program performance under Outcome 1 on 45 out of 51 individual Key Performance Indicators (Table A). Those targets not met included the Drug Harm Index and some of the external client/stakeholder satisfaction measures.

In 2009-10, seizure activity exceeded levels from the previous year, however the total weight of illicit drug seizures was significantly less than the previous year across all drug types (Table C, Chapter 3). The Drug Harm Index is driven by the total weight of illicit drug seizures. The significant reduction in the weight of illicit drug seizures in 2009-10 resulted in both domestic and international targets not being met. Details of disruptions to illicit drug activity are provided in the narratives on operational activity in Chapter 3.

External client/stakeholder satisfaction is measured annually through the AFP Business Satisfaction Survey. Overall, 88 per cent of surveyed clients indicated that they were satisfied or very satisfied in their dealings with the AFP. This was an improvement of one percentage point on the previous year.

External client/stakeholder satisfaction targets were not met within:

- Border—a component of the Criminal Investigations program
- Forensics and Data Centres—a component of the Close Operational Support program
- the Protection Services program.

All areas will seek to improve the level of client engagement on the basis of these results and ensure that the client sample size is adequate and representative in future surveys.

The performance of Outcome 2 is discussed at Chapter 6 ACT Policing.

Table A: Performance Outcomes 2009-10 (and 2008-09 where applicable)

Outcome 1: The safety and security of Australians and Australian interests, both nationally and internationally, through the investigation and prevention of crime against the Commonwealth				
Program 1.1 Criminal Investigations				
	2008-09	2009-10		
Key performance indicator	Actual	Actual	Target	Target Achieved
1. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	89%	87%	80%	Yes
2. Drug Harm Index (DHI)*	\$883m	\$473m	\$886m	No
3. Estimated Financial Return (EFR)**	\$395m	\$244m	\$220m	Yes
4. Percentage of time spent on high-very high impact cases	N/A	89%	80%	Yes
5. Number of high-very high impact cases reaching court***	N/A	225	205	Yes
6. Percentage of cases before court that result in a conviction	N/A	96%	90%	Yes

*DHI: Dollar value of harm that would have ensued had the drugs seized at the border reached the community. Target set as 5 per cent above the expected value based on previous five years to June 2008.

**EFR: Estimate of the revenue recovered from fraud investigations and the flow-on effects. Target set as 5 per cent above the expected value based on previous five years to June 2008.

*** Target number of cases before court based on a straight-line extrapolation of previous five years to June 2008.

Component 1.1.1 Criminal Investigations - Border and International				
	2008–09		2009–10	
Key performance indicator	Actual	Actual	Target	Target Achieved
Border				
7. Level of client/stakeholder satisfaction (% of clients satisfied or very satisfied)	90%	78%	80%	No
2. (as in Program 1.1 above) Drug Harm Index (domestic)	\$883m	\$473m	\$886m	No
8. Percentage of border cases reaching court resulting in a conviction	99%	99%	90%	Yes
9. Percentage of time spent on high-very high impact cases	88%	85%	85%	Yes
International network				
10. Level of client/stakeholder satisfaction (% of clients satisfied or very satisfied)	97%	100%	90%	Yes
11. Drug Harm Index (international)	\$47m	\$3m	\$40m	No
12. Relative return on investment for drug cases with international support	N/A	7	>1	Yes
13. Percentage of time spent on high-very high impact cases	89%	98%	90%	Yes
Component 1.1.2 Criminal Investigations - Economic and Special Operations				
	2008–09		2009–10	
Key performance indicator	Actual	Actual	Target	Target Achieved
14. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	88%	82%	80%	Yes
3. (as in Program 1.1 above) Estimated Financial Return (EFR)	\$395m	\$244m	\$220m	Yes
15. Percentage of time spent on high-very high impact cases	77%	83%	67%	Yes
16. Percentage of cases reaching court resulting in a conviction	95%	91%	85%	Yes
17. Percentage of cases that have restraining order applications made to the Commonwealth Director of Public Prosecutions	56%	27%	22%	Yes

Component 1.1.3 Criminal Investigations - Counter Terrorism				
	2008–09		2009–10	
Key performance indicator	Actual	Actual	Target	Target Achieved
18. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	86%	98%	80%	Yes
19. Percentage of time spent on high-very high impact cases	99%	99%	95%	Yes
20. Percentage of counter-terrorism investigations that are preventative (not responsive)	N/A	100%	100%	Yes
21. Percentage of time spent on operational activity (versus capacity development activity)	N/A	83/17%	>=75/ <=25%	Yes
22. Percentage of counter-terrorism investigations that result in a prosecution, disruption or intelligence referral outcome	N/A	100%	90%	Yes
Program 1.2 Close Operational Support				
	2008–09		2009–10	
Key performance indicator	Actual	Actual	Target	Target Achieved
23. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	N/A	84%	80%	Yes
24. Level of internal client/stakeholder satisfaction (% of clients satisfied or very satisfied)	N/A	81%	80%	Yes
Component 1.2.1 Close Operational Support - High Tech Crime Operations				
	2008–09		2009–10	
Key performance indicator	Actual	Actual	Target	Target Achieved
25. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	93%	91%	80%	Yes
26. Level of internal client/stakeholder satisfaction (% of clients satisfied or very satisfied)	N/A	86%	80%	Yes

27. Percentage of time spent on high-very high impact cases	98%	97%	80%	Yes
28. Conviction rate for High Tech Crime Operations cases	N/A	97%	90%	Yes
29. Enhanced community awareness of technology-enabled crime (% of surveyed sample indicating increased awareness post-delivery of presentations)	N/A	83%	70-80%	Yes

Component 1.2.2 Close Operational Support - Forensic and Data Centres

	2008-09	2009-10		
Key performance indicator	Actual	Actual	Target	Target Achieved
30. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	82%	76%	80%	No
31. Level of internal client satisfaction (% of clients satisfied or very satisfied)	N/A	85%	80%	Yes
32. National Association of Testing Authorities Accreditation (ISO 17025) in all relevant forensic disciplines	N/A	Current	Maintained	Yes

Component 1.2.3 Close Operational Support - Intelligence

	2008-09	2009-10		
Key performance indicator	Actual	Actual	Target	Target Achieved
Intelligence				
33. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	58%	85%	80%	Yes
34. Level of internal client/stakeholder satisfaction (% of clients satisfied or very satisfied)	N/A	73%	70%	Yes

AFP Operations Coordination Centre

35. Level of external client/stakeholder satisfaction (% of clients satisfied or very satisfied)	N/A	82%	80%	Yes
36. Level of internal client/stakeholder satisfaction (% of clients satisfied or very satisfied)	N/A	72%	70%	Yes

Program 1.3 Protection Services					
		2008–09		2009–10	
Key performance indicator		Actual	Actual	Target	Target Achieved
37. Level of client/stakeholder satisfaction for close personal protection principals (% of clients satisfied or very satisfied)		92%	81%	90%	No
38. Level of compliance with the Witness Protection Act		N/A	100%	100%	Yes
39. Level of client/stakeholder satisfaction for uniform protection at respective Commonwealth facilities/premises (% of clients satisfied or very satisfied)		90%	75%	90%	No
Program 1.4 International Deployment Services					
		2008–09		2009–10	
Key performance indicator		Actual	Actual	Target	Target Achieved
Level of client/stakeholder satisfaction (% satisfied or very satisfied):	40. International clients	100%	82%	75%	Yes
	41. Australian clients/stakeholders	88%	85%	85%	Yes
42. Quality assurance review feedback from internal and external reviews		N/A	Positive feedback*	Positive feedback	Yes
43. Percentage of time spent on high-very high impact cases		99%	98%	90%	Yes
44. Performance indicators developed by the University of Queensland project "Measuring the Impact of IDG's contribution to Peace Operations and International Capacity Building"		N/A	On Schedule**	Development of a range of context specific performance measures	Yes

* Positive feedback was provided in the Federal Audit of Police Capabilities (Beale, 2009)

**The University of Queensland has developed the Performance Framework to the stage that initial field-testing has been undertaken and an abridged Field Practitioner's Guide to the Framework provided to the AFP for feedback. Feedback from the field-testing and AFP will be incorporated into abridged and comprehensive Field Practitioner's Guides and the full final report that will be provided at the conclusion of the project.

Program 1.5 Aviation Services						
		2008–09		2009–10		
Key performance indicator		Actual	Actual	Target	Target Achieved	
45. Level of client/stakeholder satisfaction in the contribution of the AFP to aviation law enforcement and security (% of clients satisfied or very satisfied)		89%	92%	90%	Yes	
46. Level of community confidence in the contribution of the AFP to aviation law enforcement and security (% of aviation network users satisfied or very satisfied)		70%	76%	70%	Yes	
47. Proportion of resources used to undertake proactive and intelligence-led counter-terrorism, crime management, public order and first response operations		N/A	84%	70%	Yes	
48. Response to aviation law enforcement and/or security incidents in accordance with priority response times	Priority 1:Within 5 mins	79%	81%	75%	Yes	
	Priority 1:Within 10 mins	92%	95%	90%	Yes	
	Priority 2:Within 15 mins	89%	91%	75%	Yes	
	Priority 2:Within 20 mins	94%	96%	90%	Yes	
	Priority 3:Within 90 mins	100%	99%	75%	Yes	
	Priority 3:Within 120 mins	100%	100%	90%	Yes	
	Priority 4:Within 24 hrs	100%	100%	90%	Yes	
Program 1.6 International Police Development						
		2008–09		2009–10		
Key performance indicator		Actual	Actual	Target	Target Achieved	
49. Feedback from clients/ stakeholders		N/A	82% *	Positive feedback	Yes	
50. Percentage of time spent on high-very high impact cases		N/A	100%	90%	Yes	
51. Relevant indicators from the set developed by the University of Queensland project “Measuring the impact of IDG’s contribution to Peace Operations and International Capacity Building”			N/A	On Schedule**	Development of a range of context specific performance measures	Yes

*Level of satisfaction among clients/stakeholders within the International Police Development Program

**The University of Queensland has developed the Performance Framework to the stage that initial field-testing has been undertaken and an abridged Field Practitioner's Guide to the Framework provided to the AFP for feedback. Feedback from the field-testing and AFP will be incorporated into abridged and comprehensive Field Practitioner's Guides and the full final report that will be provided at the conclusion of the project.

Table B: Price of Agency Outcomes (Financial Performance)

Outcome 1: The safety and security of Australian and Australian interests, both nationally and internationally through the investigation and prevention of crime against the Commonwealth.			
	Budget*	Actual Expenses	Variation
	2009-10	2009-10	2009-10
	\$'000	\$'000	\$'000
	(a)	(b)	(a) – (b)
Departmental expenses			
Program 1.1: Criminal Investigations	186,682	188,015	-1,333
Program 1.2: Close Operational Support	249,149	250,877	-1,728
Program 1.3: Protection Services	191,982	193,091	-1,109
Program 1.4: International Deployment Services	341,513	321,371	20,142
Program 1.5: Aviation Services	249,047	253,442	-4,395
Total Departmental expenses	1,218,373	1,206,796	11,577
Administered expenses			
Program 1.6: International Police Development	16,802	15,047	1,755
Program 1.7: Other Administered	121	146	-25
Total Administered expenses	16,923	15,193	1,730
Total expenses for Outcome 1	1,235,296	1,221,989	13,307
Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government.			
Departmental expenses			
Program 2.1: ACT Community Policing	138,495	138,542	-47
Total expenses for Outcome 2	138,495	138,542	-47
Total Departmental Financial Results 2009-10			
Budgeted Revenue	Actual Revenue	Actual Expenses	Variance
\$'000	\$'000	\$'000	\$'000
1,356,868	1,349,565	1,345,338	4,227

* Full year budget, including any subsequent adjustment made to the 2009-10 Budget.



03

Performance Details

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Program 1.1: Criminal Investigations

Component 1.1.1: Border and International

Workload:

- 546 new Border cases
- 1,111 new International cases
- 339 finalised Border cases
- 1,304 finalised International cases
- 781 Border cases on hand at the close of 2009-10
- 530 International cases on hand at the close of 2009-10

Performance measures:

- 85 per cent of time attributed to Border cases were directed to high and very high impact cases; 98 per cent of time attributed to International cases was directed to high and very high impact cases
- client satisfaction was 78 per cent for Border and 100 per cent for International
- total number of drug seizures rose significantly, while the total weight of drugs seized dropped significantly
- the Drug Harm Index was \$473 million domestic and \$3 million International. The relative return on investment for drug cases with International support was seven dollars for every dollar spent
- 180 Border and 11 International cases resulted in a legal process
- 99 per cent of cases reaching court resulted in a conviction

International Operations

Overview

To support and drive the AFP's implementation of the Commonwealth Organised Crime Strategic Framework, the AFP realigned the Border and International Network and Economic and Special Operations portfolio into two new portfolios in February 2010.

The two new portfolios are Serious and Organised Crime and Crime Operations and they sit within an integrated Crime Program to better reflect the intent of the AFP to address crime with a more holistic approach. The crucial focus of the Crime Program's strategy is the deployment of resources and skills to where they will have the greatest preventative impact and disruptive effect on criminal networks.

By enabling the proper resourcing of operational activity and enhancing flexibility, the Crime Program's capacity to respond to emerging threats and to concentrate on crimes that require priority intervention has been enhanced.

External consultants were engaged to work with the AFP to develop a new operating concept and model for the two new portfolios, as well as to identify and plan capability development requirements for the future. The new operating model also required extensive consultation with internal and external stakeholders and a comprehensive review of existing documentation to ensure that its focus was on re-invigorating investigations, driving strategic direction and provided the framework needed to respond to serious and organised crime.

Illicit Drugs

The Serious and Organised Crime portfolio collaborates with various national and international law enforcement partners to develop and implement strategies to disrupt, deter and dismantle the criminal syndicates involved in the trafficking of illicit drugs and drug precursors.

Australia's National Drug Strategy is an integrated one that involves law enforcement, health services, prevention, education and treatment services, a balance between reducing the supply of illicit drugs to the Australian community and prevention through partnerships with national and international colleagues.

The AFP is represented on a range of drug-related committees and councils that provide input into the development of strategies, initiatives and legislation.

Examples of these include the:

- Australian National Council on Drugs
- Inter-governmental Committee on Drugs
- National Precursor Working Group.

The AFP has cooperated with foreign law enforcement to investigate and disrupt a significant number of illicit drug operations. For details, see International Operations in this chapter.

Australia is an active participant both nationally and internationally in anti-drug efforts. This involvement ranges from proactive investigations through to capacity development initiatives and as a driver of international anti-drug policies. The AFP participates in the development of collective policy responses through forums such as the Heads of National Drug Law Enforcement Agencies for Asia and the Pacific and major donor group activities and also engages in joint operational responses to combat illicit drug trafficking.

Operational activity during the year resulted in significant seizures of illicit drugs including heroin, methamphetamine, 3,4-methylenedioxymethamphetamine (MDMA or ecstasy), cocaine and essential precursor chemicals.

Effective border control requires collaboration with domestic partner agencies like the Australian Customs and Border Protection Service, State and Territory police and the Australian Crime Commission to provide a primary line of defence for combating the importation of drugs into Australia.

These collaborations ensure a comprehensive and fiscally responsible approach is taken to combating the threats posed by criminal groups targeting Australia.

A good example of a multi-agency, multi-disciplinary unit is the Joint Organised Crime Group, a collaboration between the AFP, the Australian Crime Commission, the Australian Customs and Border Protection Service, the New South Wales Crime Commission and the New South Wales Police Force.

Based in Sydney, the Joint Organised Crime Group is staffed by investigators, analysts and interpreters and operates as a multi-agency taskforce to target organised crime groups. In particular, the group investigates serious drug activities such as international, border, interstate and intrastate drug trafficking and the associated laundering of illicit funds that is generated by it.

To complement effective border control within Australia, the AFP works collaboratively with international jurisdictions to prevent drugs reaching Australia by taking the fight against drugs offshore.

Through the operation of its International Liaison Officer Network, the AFP undertakes a wide range of operational and training activities with foreign law enforcement agencies. The AFP aim is to deter, disrupt and dismantle transnational criminal syndicates operating offshore to ensure that illicit drugs are seized at the earliest opportunity, thereby reducing the supply to Australia.

During a number of major investigations, the AFP liaised closely with law enforcement agencies around the world, further strengthening already strong relationships and streamlining the flow of information between agencies.

Amphetamine-type Stimulants

Over the past decade, drug use in Australia has shifted from opiate use toward synthetic drugs such as amphetamine-type stimulants. Historically, the market for these drugs in Australia has been primarily supplied through the domestic manufacture of drugs which was facilitated by the diversion locally of precursor chemicals and pharmaceutical products.

The tightening of domestic controls on the availability of precursor chemicals through pharmacies has gradually reduced this activity and criminal syndicates are increasingly attempting to source precursor chemicals offshore. This has been reflected in greater seizures of precursor chemicals at the Australian border.

The domestic manufacture of amphetamines in Australia has been historically supplemented by the importation of crystal methamphetamine (ice), which is sourced from primary production areas like Canada, Burma (Myanmar), Cambodia, Indonesia and southern China.

The current identified trend is the increased use of “emerging synthetics”, which are new chemical compounds that fall within the class of amphetamine-type stimulants. As information on their effects and availability are spread through communication systems like internet chat forums the new compounds are being increasingly adopted by user groups.

The Specialist Response Amphetamine Type Stimulants Team was fully functional during 2009-10, providing specialist support to a broad range of operations that encountered synthetic drug production, illicit precursor chemicals and other highly hazardous materials.

The team responds to significant amphetamine-related offences at short notice, including the detection of clandestine laboratories, and the specialist skills developed for this role has enabled the team to be frequently used to provide a hazardous materials response role for a broad range of police activities.

The team also delivers capacity-building and education to regional law enforcement partners in south-east Asia on best-practice in hazardous material operations, focusing heavily on the investigation and safe dismantling of clandestine laboratories and precursor chemical handling.

By deploying the Specialist Response Amphetamine Type Stimulants Team internationally to seize and destroy large quantities of illicit precursor chemicals, the AFP has assisted regional law enforcement partners prevent the production of over \$15 billion worth of illicit drugs to date.

The team's activities during the reporting period have included:

- supporting the Australian Government's Tough on Drugs Strategy through the delivery of drug awareness presentations to high schools throughout New South Wales
- deploying to Battambang Province in Cambodia in January 2010 to destroy twenty metric tonnes of ATS precursor chemicals that prevented the production of almost 93 million MDMA tablets

which would have had an estimated street value of \$3.8 billion

- assisting Cambodian authorities to seize 2,000 kilograms of Safrrole oil in March 2010 that prevented the production of more than 12 million MDMA tablets which would have had an estimated street value of \$360 million
- delivering a Hazardous Chemical Investigators Program in China in June 2010 to that country's Narcotic Control Bureau.

Heroin

Historically, the majority of heroin imported into Australia has been sourced from the Golden Triangle in south-east Asia, particularly from Burma (Myanmar). In recent years however, greater quantities of heroin have been seized at the Australian border from south-west Asia, primarily Afghanistan.

Afghanistan is the world's primary opium-producing region, accounting for more than 90 per cent of global production. Despite the shift towards the use of synthetic drugs, heroin remains a concern to the Australian community. Large-scale global cultivation of opium and high prices in Australia will ensure that organised crime groups continue to target Australia with heroin shipments.

The AFP-led Australian Illicit Drug Intelligence Program is a partnership between AFP Forensic Drug Support and the National Measurements Institute.

The program supports drug-related operations by using a drug's unique chemical signature to identify regions of origin, synthetic routes of manufacturing and trends or distribution patterns within a drug market.

For specific investigations, comparisons can be made within and between seizures to identify different batches in a single shipment or to demonstrate links between individuals and networks that trade in illicit drugs. This information not only develops the AFP's understanding of the illicit drug trade, it also helps direct law enforcement resources to where they are needed most.

MDMA

The global MDMA market continues to evolve, with supply and demand of precursors and law enforcement operations affecting market dynamics.

The United Nations Office on Drugs and Crime has identified sophisticated syndicates in the Netherlands and Belgium who continue to produce the bulk of MDMA tablets and powder for the global market, including Australia, using precursor supplies sourced primarily from Asia.

A large global decline in MDMA availability in 2009-10 resulted in significantly lower seizures, but should global manufacture undergo a recovery, Australia is likely to be one of the first nations to see the effects of a revitalised production environment due to the price Australians are willing to pay for MDMA, which is far greater than is paid throughout most of the world.

Cocaine

The demand shift away from heroin towards stimulants has created the large Australian MDMA and Amphetamine Type Stimulants markets. These drugs have received considerable adverse media attention as the associated harms become better known. This generational shift towards stimulants, combined with the adverse effects of Amphetamine Type Stimulants, may spur the user population to seek other stimulant alternatives, potentially increasing the demand for cocaine.

Australia receives cocaine from various regions including South America. Between 1986-87 and 1998-99 the AFP consistently seized approximately 100 shipments of cocaine annually. Since that time the AFP annual seizure rate for cocaine has increased dramatically to in excess of 400 shipments annually.



This cocaine was seized as part of a 150 kilogram shipment.

Since 2003-04 cocaine detections have continued to fluctuate, partly due to changing drug use preferences within Australia and partly due to law enforcement activities against this drug type.

Drug Harm Index

The AFP Drug Harm Index provides a single measure that encapsulates the potential value to the Australian community of AFP drug seizures. It represents the dollar value of harm that would have occurred had the seized drugs reached the drug-using community.

In the five years to June 2010, the AFP and its partners saved the Australian community approximately \$5.8 billion in drug-related harm through its disruption of illicit drug importations.

Research has shown that the AFP's Drug Harm Index shows a return of approximately \$5 to the Australian community for every \$1 invested in federal drug investigations.

The Drug Harm Index outcome is based predominantly on the weight of illicit drug seizures. In 2009-10, seizure activity by number exceeded levels from the previous year. However, the total weight seized was significantly less than the previous year across all drug types (Table C). This resulted in both the domestic and international Drug Harm Index targets not being met. One of the limitations of this measure in tracking performance is that

it is influenced by single, large seizures within the year.

In addition, the wider preventive and disruptive impact, particularly regarding collaboration offshore, is not captured. For example, if only a small percentage of drugs seized internationally in joint AFP operations in 2009-10 had been included, the international drug harm index target would have been exceeded.

Table C: Drug seizures by Federal agencies

Type of drug	2008-09		2009-10	
	Reported weight (kg)	Seizure count	Reported weight (kg)	Seizure count
Amphetamine and ATS—excluding MDMA	325.0	541	176.8	1,438
Cannabis (including resin)	35.6	1,095	17.7	1,595
Cocaine	574.8	373	392.6	392
Heroin	229.1	327	137.9	322
MDMA	107.7	67	9.0	69
Precursor	1,816.7	47	343.2	58
Sedatives	3,335.1	53	97.0	62
Other	1,809.0	99	71.3	293

Note: Figures for 2009-10 are correct at time of publication. Recorded weights and drug types may vary from those previously reported. Seizures by “federal agencies” include those made by the AFP, the Australian Customs and Border Protection Service and the Joint Asian Crime Group where the drugs have been held in AFP custody. International seizures are excluded.

Significant Investigations

The AFP collaborates with various national and international law enforcement partners in cross-functional operations. A good example of this is Operation Novo.

In May 2010, Operation Novo targeted drug importations through the postal system. Over three days, 425 members from offices in Darwin, Brisbane, Sydney, Cairns, Melbourne, Hobart, Adelaide, Canberra and Perth were involved in 166 actions that seized more than 73 kilograms

of drugs, 145 parcels, \$152,980 in cash suspected of being the proceeds of crime, counterfeit licences, DVDs and CDs, improvised weapons and drug-making equipment and uncovered two clandestine drug laboratories.

The operation also helped South American authorities dismantle a Colombian-based drug syndicate that was allegedly importing cocaine into Sydney through the mail system.

Amphetamine-type Stimulants

- In August 2009, 99 kilograms of pseudoephedrine was seized in Sydney after being imported from Vietnam concealed in packets of coffee.
- In August 2009, 35 kilograms of pseudoephedrine was seized in Sydney after being imported from Vietnam concealed as tea and coffee.
- In January 2010, 50 kilograms of crystal methamphetamine was seized in Sydney after being imported from China. Two males were arrested.
- In February 2010, 19.3 kilograms of amphetamine-type stimulants were seized in Brisbane after being imported from the United Kingdom concealed in two wooden cutting boards. One male was arrested.

Heroin

- In July 2009 six males were arrested across three States for their involvement in the importation of 21.9 kilograms of heroin from South Africa. The heroin was concealed in a consignment of roller doors.
- In November 2009, 4.1 kilograms of heroin was seized in Sydney concealed in playing tiles on a flight from Vietnam. One male was arrested.
- In May 2010, 13.7 kilograms of heroin was seized in Sydney after being posted from Thailand concealed in wooden items. Two males were arrested.
- In May 2010, six kilograms of heroin was seized in Sydney after arriving from Vietnam secreted in food items. One female was arrested.

Cocaine

- In November 2009, 12 kilograms of cocaine was seized in Sydney after being imported from Panama concealed in plastic blocks. One male was arrested in Panama by Panamanian authorities.
- In February 2010, 8 kilograms of cocaine was seized in Sydney after being imported from Nigeria concealed in a wooden shipping crate among various foods. One male was arrested.
- In June 2010, 240 kilograms of cocaine was seized in Melbourne after being imported from Mexico concealed in stone pavers. Four males were arrested in a joint operation with State and Federal partner agencies.

MDMA

- In January 2010, 6.9 kilograms of MDMA was seized in Sydney concealed in the false bottom of a suitcase arriving from Canada. One male was arrested.

Significant Sentencing Decisions

Amphetamine-type Stimulants

- In July 2009 a male was sentenced to 10 years imprisonment for importing 25 kilograms of methamphetamine into Sydney. The methamphetamine was concealed in candles in glass jars.
- In July 2009 three males were sentenced to eight years imprisonment and one male was sentenced to 10.5 years imprisonment for importing 9.3 kilograms of pseudoephedrine into Australia as air cargo.
- In September 2009 an Indonesian male was sentenced to eight years imprisonment for importing 140 grams of Ice into Australia from Indonesia.

- In September 2009 a male was sentenced to 18.5 and 12.5 years for conspiracy to manufacture commercial quantities of amphetamines and for conspiracy to pre-traffic a commercial quantity of a precursor chemical (Safrole).
- In December 2009 two Australian-based males were sentenced to 12 years and nine years imprisonment for conspiracy to import phenyl2propanone and attempting to possess methylamphetamine. The drugs were concealed in consignments from Canada.
- In March 2010 two Chinese nationals and three Cambodian nationals were sentenced to a total of 90 years imprisonment and fined a total of \$57,000 for possessing precursor chemicals used in the manufacture of methamphetamine.
- In April 2010 one female was sentenced to nine years imprisonment with a non-parole period of five years for importing 600 grams of methamphetamine concealed in the soles of her shoes.
- In October 2009 a Malaysian female was sentenced to 10 years imprisonment for importing 2.5 kilograms of heroin into Australia from Hong Kong.
- In December 2009 a Malaysian female was sentenced to 12 years imprisonment for importing 3.8 kilograms of heroin into Australia from Malaysia
- In December 2009 a Malaysian male was sentenced to nine years imprisonment for importing one kilogram of heroin into Australia from Kuala Lumpur.
- In February 2010 an Australian male was sentenced to eight years imprisonment for importing 1.1 kilograms of heroin into Australia from Tanzania and Dubai.
- In April 2010 a Malaysian male was sentenced to nine years four months imprisonment for importing 1.3 kilograms of heroin into Australia from Malaysia.
- In Sydney in April 2010, a Vietnamese male was sentenced to eight years for the importation of 4.1 kilograms of heroin from Vietnam. The heroin was concealed in luggage.

Heroin

- In August 2009 a Singaporean male was sentenced to 11 years and three months imprisonment for importing 4.3 kilograms of heroin into Australia from Kuala Lumpur. The heroin was concealed in food items.
- In August 2009 a Vietnamese male was sentenced to 19 years and seven months imprisonment for receiving 105 kilograms of heroin from China and arranging for its transport to a warehouse in Sydney. The heroin was concealed in the roof of two shipping containers.

Cocaine

- In July 2009 a male was sentenced to 24 years imprisonment for his involvement in a conspiracy to import 89 kilograms of cocaine into Australia from Colombia. The cocaine was found onboard ocean-going vessels.
- In July 2009 a Colombian male was sentenced to 20 years imprisonment for importing 35 kilograms of cocaine into Australia from Mexico. The cocaine was found impregnated in the rims of 21 pots.
- In August 2009 a male and a female were sentenced to 11.5 years and nine years respectively for attempting

to possess 250 kilograms of cocaine imported from China.

- In August 2009 a Sydney male was sentenced to 24.5 years imprisonment for the possession and supply of cocaine.
- In November 2009, a Californian male was sentenced to eight years and nine months imprisonment for importing four kilograms of cocaine into Australia from Los Angeles.
- In December 2009 a Mexican male was sentenced to 12 years imprisonment for conspiring to import 64.6 kilograms of cocaine into Australia from Mexico. The cocaine was concealed in four cylinders found among various pots and planters in two forty-foot sea containers.
- In April 2010 a Canadian male was sentenced to 10 years and six months imprisonment for importing 2.072 kilograms of cocaine into Australia from Canada. The cocaine was concealed in his luggage.
- In May 2010 a male was sentenced to 15 years imprisonment for importing large quantities of cocaine into Australia via baggage handlers at Sydney Airport.
- In June 2010 a Nigerian female was sentenced to eight years imprisonment for importing 900 grams of cocaine from Nigeria into Melbourne. The cocaine was concealed internally.

MDMA

- In July 2009 a European male was sentenced to 10 years and 10 months imprisonment for sending packages containing 26 kilograms of MDMA from the United Kingdom to Australia through the post.
- In December 2009 a male was sentenced to life imprisonment for importing 371 kilograms of MDMA into

Australia from Canada. The MDMA was found in a shipping container concealed among 180 cartons of printer's ink.

- In February 2010 a Serbian male was sentenced to 15 years imprisonment for conspiracy to import 40 kilograms of MDMA into Australia.
- In March 2010, an English and an Australian female were sentenced to 12 years and nine years imprisonment for importing 26 kilograms of MDMA into Australia from the United Kingdom. The MDMA was intercepted by the Customs Mail Handling Unit in Brisbane.
- In March 2010 four males were sentenced to a total of 73 years imprisonment for importing and conspiring to import 40 kilograms of MDMA into Australia. In June 2010 a fifth male was sentenced to 14 years imprisonment for the same conspiracy.

Other

- In July 2009 a Vietnamese female was sentenced to 12 years imprisonment for attempting to import 45 kilograms of cocaine, 27 kilograms of Ice and 89 kilograms of MDMA into Australia from Canada. The items were found concealed in a consignment of foot spas and massage chairs.
- In July 2009 a male was sentenced to 16 years imprisonment for importing cocaine and MDMA into Australia from Canada, Thailand and Europe. The drugs were concealed internally by a number of couriers.
- In August 2009 a Canadian female was sentenced to 11 years imprisonment for importing 13 kilograms of methylamphetamine and 11 kilograms of cocaine. The drugs were found concealed in the battery case of an electric pallet jack.

- In November 2009 an Australian male was sentenced to 14 years imprisonment for importing 33 kilograms of cocaine and 16 kilograms of methamphetamine into Australia from Canada. The drugs were found concealed in a consignment of foot spas.
- In November 2009 a Canadian male was sentenced to 19 years imprisonment for importing 29 kilograms of methamphetamine, 71 kilograms of cocaine and 9.7 kilograms of MDMA into Australia from Canada. The drugs were found in a shipping container.
- In December 2009 a Vietnamese female was sentenced to 11 years imprisonment for attempting to import 34 kilograms of cocaine and 17 kilograms of methylamphetamine into Australia from Canada. The drugs were found concealed in a consignment of foot spas.
- In March 2010 a south-east Asian male was sentenced to 12 years imprisonment for attempting to import 166 kilograms of cocaine, methamphetamine and MDMA into Australia. The drugs were found concealed in a consignment of foot spas.



The AFP assisted Cambodian police destroy 15 tonnes of the precursor chemical essential for manufacturing ecstasy during this Safrole oil burn.

Transnational Sexual Exploitation and Trafficking

The Transnational Sexual Exploitation and Trafficking teams investigate human trafficking for the purpose of sexual and/or labour exploitation. The Commonwealth *Criminal Code Act 1995* criminalises all forms of trafficking, including slavery, sexual servitude and deceptive recruiting

The AFP established the trafficking team to support the requirements of the United Nations' Protocol to Prevent, Suppress and Punish Trafficking in Persons, ratified by Australia in September 2005. The establishment of the team also supports the Australian whole-of-government strategy on combating human trafficking.

In the 2007-08 Budget the AFP received \$9.1 million in ongoing funding for people-trafficking investigations. This enabled the proactive investigation of allegations of trafficking offences.

Suspected victims of trafficking have access to a comprehensive range of support services by virtue of the Australian Support for Victims of People Trafficking Program (the Program). The Program is administered by the Office for Women in the Department of Families, Housing, Community Services and Indigenous Affairs and the Australian Red Cross is contracted by the Office to deliver the Program.

In June 2009 the Australian Government announced changes to the Program to provide a more flexible framework for supporting victims and their families that are in line with international best-practice.

They include de-linking victim-support from the Department of Immigration and Citizenship's People Trafficking Visa Framework and providing an initial period of 45 days intensive support to

victims of trafficking, irrespective of their willingness to assist law enforcement authorities with a people-trafficking investigation or prosecution.

The AFP continues to collaborate with domestic partner agencies and industry representatives in each State to consistently and cooperatively support victims of trafficking in Australia. Engagement strategies to target relevant industry representatives and local communities in each State are also being developed to raise community awareness of the AFP's role in combating trafficking.

Since January 2004 the AFP has facilitated the entry of 154 people, 24 of those in this financial year, into the Australian Support for Victims of People Trafficking Program, the majority of whom have been from Thailand. However, the number of allegations of suspected trafficking of Thai nationals has reduced significantly since mid-2008 with a commensurate increase in the number of reports of suspected trafficking of South Korean sex workers.

The AFP works closely with the Thai Department of Social Development and Welfare to support victims and witnesses who assist the AFP and Thai Police with people-trafficking investigations and developed a close working relationship with South Korean law enforcement agencies, primarily the Korean National Police and the Supreme Prosecutors Office, to investigate the suspected trafficking of South Korean sex workers.

The relationship with South Korean law enforcement agencies was further strengthened by the visit of the AFP Senior Liaison Officer Hong Kong and a senior Transnational Sexual Exploitation and Trafficking team leader to Seoul and Busan in South Korea to deliver detailed

briefings to the Korean National Police, the Supreme Prosecutors Office and the Busan Metropolitan Police Agency on the AFP's investigation of suspected trafficking of South Korean sex workers. The Korean agencies reciprocated with information of relevance to current AFP trafficking investigations.

The AFP also conducts preventative work and regional training programs in the Asia-Pacific region to combat human trafficking and is involved in numerous cooperative activities with overseas jurisdictions that aim to reduce opportunities for people-traffickers to operate in the region.

In December 2009 the AFP helped the Jakarta Centre for Law Enforcement Cooperation host a conference in Semarang, Indonesia on human-trafficking and people smuggling issues in the region. The theme of the conference was "the social and economic impact of human trafficking and people smuggling on source, transit and destination countries".

Conference participants included senior law enforcement officers from Australia, Afghanistan, Pakistan, Iran, Iraq, Vietnam, Myanmar, Sri Lanka, South Korea, China, Thailand, Malaysia, Indonesia, India and Singapore.

In April 2010, the AFP Law Enforcement Cooperation Program and the Interpol Trafficking in Human Beings Sub-Directorate jointly hosted a five-day Advanced Trafficking in Human Beings Training Program in Ghana, West Africa which was attended by 34 law enforcement members from Cameroon, Gambia, Ghana, Liberia, Nigeria and Sierra Leone.

The program was delivered by specialists from the Interpol Expert Working Group on Trafficking in Human Beings as well as experts from Ghana and from the Royal Canadian Mounted Police.

The training represented the latest phase of police capacity building against human trafficking in Africa.

AFP investigators working in TSETT are required to undertake the AFP's specialist training program, the Transnational Sexual Exploitation Investigations Program. Commenced in 2004, the program is a two-week residential training program for investigators. A key objective of the training program is to develop the knowledge and skills required to successfully conduct complex, sensitive and/or protracted investigations of offences involving sexual exploitation and human trafficking in a multi-jurisdictional and international environment. The program is currently undergoing a review to maintain contemporary relevance.

The program was primarily developed to meet the needs of AFP investigators. However, the course is also open to investigators from other police services, including State and Territory police services and foreign law enforcement agencies.

As at 30 June 2010, 156 investigators had completed the course. This included 106 investigators from the AFP, 28 investigators from the State and Territory police (all jurisdictions), one representative from the Department of Immigration and Citizenship and 21 investigators from foreign police services.

Australia has international obligations to address people trafficking in all its forms and the Commonwealth's whole-of-government, anti-people-trafficking strategy aims to combat trafficking for labour exploitation and sexual servitude.

To date, the majority of identified victims of people trafficking into Australia have been women found working in the sex industry. However, law enforcement authorities have recently identified suspected victims of trafficking in exploitative situations in other industries such as the hospitality and domestic service industries, including one case which went to prosecution.

This indicates that trafficking into industries other than the sex industry may be an emerging issue for Australia, which is also consistent with international trends. The human-trafficking offences in Divisions 270 and 271 of the Criminal Code cover conduct that occurs for a range of (unspecified) exploitative purposes and is not limited to a particular category of victim (men, women and children may all be victims).

Significant Investigations

- Between June and December 2009 the Sydney, Melbourne and Brisbane Transnational Sexual Exploitation and Trafficking teams conducted a national investigation into a South Korean human-trafficking syndicate allegedly operating in three Australian States.

The investigation resulted in the arrest of a South Korean male in Melbourne who was extradited to Sydney on multiple immigration and passport offences. The man was sentenced to two years and seven months imprisonment and arrest warrants were issued by overseas authorities for three syndicate members following information provided by the AFP.

- In March 2009 a Sydney-based female was charged with numerous human trafficking offences and offences against the *Migration Act 1958*. Charges were laid following an investigation into

allegations made by 11 Thai females that they had been recruited in Thailand and trafficked to Australia where they were forced to work in the sex industry in order to repay a contract debt of approximately \$53,000.

In March 2010 the woman entered a plea of guilty to conducting a business involving the sexual servitude of the 11 Thai females and causing to be delivered to the Department of Immigration and Citizenship visa applications containing false or misleading statements or information.

- In October 2009 a Canberra-based female was charged with possessing a slave, debt bondage, attempting to pervert the course of justice, allowing non-citizens to work in breach of visa conditions, allowing unlawful non-citizens to work and operating an unlawful brothel. A Melbourne-based male was also charged with engaging in sexual intercourse without the consent of the other person, committing an act of indecency without the consent of the other person and operating an unlawful brothel.

Charges were laid following an investigation into allegations by a Thai female that she had been recruited by the Canberra-based female and forced to perform sexual services in order to repay a contract debt of \$43,000.

- In May 2010 a Sydney-based male and female were charged with offences against the *Migration Act 1958* when they allowed a Filipino woman to work for them in breach of her visa conditions.

The charges arose after an investigation into additional allegations that the Filipino woman was trafficked to Australia and exploited under conditions of forced labour on her arrival.

- In October 2009 the Royal Malaysia Police arrested two key members of a syndicate who were trafficking sex workers from Malaysia to Australia. The investigation and subsequent arrests were based on intelligence provided by the AFP. Malaysian media reported that following the arrests the Royal Malaysia Police rescued nine females believed to be the latest victims of the syndicate.

Significant Sentencing Decisions

- On 29 September 2009 two males were convicted in the Supreme Court of Victoria on six and four charges of possessing and exercising a power of ownership over a person under the slavery provisions of the *Commonwealth Criminal Code Act 1995*.

They were subsequently sentenced to 14 years imprisonment with a non-parole period of 11 years and 10 years with a non-parole period of seven years.

On 22 October 2009 both males sought leave to appeal their sentences in the Supreme Court and the matter is ongoing.

- On 4 November 2009 a female was convicted in the Supreme Court of Victoria on two charges of possessing and exercising a power of ownership over a person under the slavery provisions of the *Commonwealth Criminal Code Act 1995*.

She was subsequently sentenced to six years imprisonment with a non-parole period of three years and six months.

On 11 November 2009 the female sought leave to appeal her conviction and sentence in the Supreme Court and the matter is ongoing.

- On 18 February 2010, a Queensland couple were resentenced to eight years and four years imprisonment for possessing and exercising a power of ownership over a person under the *Commonwealth Code Act 1995* after a retrial was ordered in December 2008. The matter has been appealed.

People smuggling

To combat people smuggling, the AFP generated a law enforcement program based on three tenets, prosecution, disruption and capacity building.

The prosecution strategy relies on the foreign and Australian prosecution of people smugglers, the disruption strategy provides actionable intelligence to inform foreign law enforcement action and to prevent maritime ventures before they depart for Australia, and the capacity building strategy enhances the capacity of the Indonesian National Police in particular and law enforcement agencies in Sri Lanka, Pakistan and Malaysia to disrupt and prosecute those involved in people smuggling activities.

The offshore disruption of people smuggling has benefited substantially from the AFP International Network, which works closely with police agencies in a number of countries in the region to facilitate the liaison and coordination required to disrupt maritime people smuggling ventures.

As part of a multi-agency approach to combating people smuggling, the AFP, the Australian Customs and Border Protection Service and the Department of Immigration and Citizenship also provide investigators and intelligence analysts to a specialist people smuggling strike team based in Canberra and to other dedicated teams in Sydney, Melbourne and Perth to provide an effective investigative capability

against people smuggling organisers operating here and overseas.

Technological advances that allow preparatory and overt acts to be conducted in multiple jurisdictions and the widespread availability of fraudulent documentation, a significant feature of people smugglers' activities, makes it imperative that capacity building and intelligence-sharing opportunities be pursued in source and transit countries across the region.

Between September 2008 and June 2010, 140 suspected illegal entry vessels carrying 6,308 passengers of predominately Afghan, Iranian, Iraqi and Sri Lankan nationalities, as well as the 357 crew members who have or will likely face charges relating to people smuggling offences, were intercepted in Australian waters.

Regional partnerships in Malaysia, Sri Lanka and Indonesia also conducted 192 disruptions involving more than 5,100 people who were bound for Australia, leading to the arrests of 155 people smuggling organisers/facilitators in those countries.

Between 1 July 2009 and 30 June 2010 the AFP received a total of \$48.4 million to combat this surge in activity by:

- enhancing the Indonesian National Police's ability to gather, analyse and respond to people smuggling intelligence
- enhancing regional law enforcement capability through in-country operations support
- establishing an AFP liaison post in Sri Lanka
- enhancing the People Smuggling Strike team's capability to combat maritime people smuggling ventures

- establishing and maintaining dedicated people smuggling liaison and/or intelligence officers in Indonesia, Thailand, Malaysia, Sri Lanka and Pakistan
- expanding the United Nations Office on Drugs and Crime's computer-based training facilities in Indonesia and Asia.

For more information about the AFP's role in combating people smuggling refer to Component 1.6.5.

Training

The AFP conducted 14 training programs on people smuggling during 2009-10 at the Jakarta Centre for Law Enforcement Cooperation in Semarang. These programs comprised seven investigations programs for up to 25 regional participants, an inter-region workshop involving 30 regional participants, three People Smuggling Intelligence programs for up to 20 regional participants, one Money Laundering Investigator course and two people smuggling investigations taskforce programs for up to 22 regional participants.

Whole-of-government

The AFP maintained a pivotal place in 2009-10 in a number of newly-formed inter-governmental forums that provide high-level guidance for operations and policy responses to irregular maritime arrivals in Australia by boat.

The AFP shares membership of these forums with the:

- Department of Immigration and Citizenship
- Department of Prime Minister and Cabinet
- Australian Customs and Border Protection Service
- Department of Foreign Affairs and Trade, including the Ambassador for People Smuggling
- the Australian intelligence community
- Australian Attorney-General's Department.

Community Engagement

Domestic

The AFP works closely with their whole-of government partners on issues relating to deterrence, law enforcement, international obligations, training and awareness, extradition and offshore prosecution and on Australia's protection obligations on people smuggling investigations and prosecutions.

The AFP, as part of a whole-of-government communication strategy, began providing information to diaspora communities within Australia about the risks of maritime travel to Australia facilitated by people smugglers. In an effort to dissuade irregular maritime arrivals, information brochures were produced to inform communities about the danger of these ventures and potential criminal charges.

International Operations

The AFP's International Network contributes to the safety and security of Australians and Australian interests, both nationally and internationally, through the investigation and prevention of transnational crime and organised criminal activity that affects Australia.

In 2009-10 the International Network had more than 85 AFP officers based in 30 countries incorporating 30 posts and nine offices. It initiated 54 cases in the reporting period and referred them to Australian-based operational teams for investigation. One of these cases led to

the overseas seizure of 5,855 kilograms of illegal drugs and the arrest of 35 persons.

The International Network's roles include:

- contributing to domestic and international efforts to disrupt and prevent criminal activities of major concern to the Australian Government and to Australian law enforcement
- contributing to the collection and sharing of intelligence on criminal activities and focusing on transnational crime and serious organised crime
- coordinating and advising on training and technical measures to enhance the capacity of international law enforcement agencies to deal with criminal activity, particularly in the context of transnational and serious organised crime.

Significant Activities

- In December 2009, the AFP issued new guidelines to govern the assistance to be provided to international law enforcement agencies in death penalty cases.

The guidelines are the result of a thorough examination by the AFP and the Australian Attorney-General's Department of existing policy governing cooperation with other countries and are a practical guide for AFP officers when death penalty issues arise in international police-to-police liaison.

The guidelines will ensure that the application of policy is not undermined by differences in criminal procedures between foreign countries and provide greater clarity for AFP members on their accountability and the circumstances in which it is permitted to cooperate with other countries on these matters.

- On 20 July 2010 Commissioner Negus officially opened the AFP's post in New Delhi.
- In March 2010, the AFP established a new liaison office in New Delhi with the Senior Liaison Officer responsible for all of India, an important position in the lead-up to the 2010 Commonwealth Games.
- Also in March 2010 Commissioner Negus opened the Vietnam–Australia Joint Transnational Crime Centre in Ho Chi Minh City. The Vietnam–Australia Joint Transnational Crime Centre enables information- and intelligence-sharing between Australia and Vietnam on transnational crimes such as illicit drug dealing, money laundering and human trafficking.

Similar Joint Transnational Crime Centres have also been established in Cambodia and Colombia.

Together with the Royal Malaysia Police, the AFP delivered the first money laundering training course in Malaysia during 2010. Participants came from both the AFP and the Royal Malaysia Police, generating an increased awareness of money laundering activities across all crime types.

- The AFP also delivered Malaysia's first People Smuggling Intelligence course during the 2009-10 financial year.
- In April 2010 more than 200 Indonesian National Police members attended an AFP-funded conference in Batam, Indonesia.

A joint initiative of the AFP, the Indonesian National Police and the Asia Regional Trafficking in Persons Project, the Indonesian National Police–Eradicating People Smuggling and Human Trafficking and other Transnational Crime in the Border Regions Conference discussed strategies to combat people

smuggling and human trafficking and its impact on Indonesia's political and security environment.

- In Singapore in February 2010 the AFP conducted the 10th Integrated Narcotics Enforcement Program in cooperation with the Singapore Ministry of Foreign Affairs and the Singapore Central Narcotics Bureau and also conducted a Concealed Importations Workshop in June 2010.
- In April 2010, participants from across the south-east Asia and south Asia regions joined AFP and Singapore Police Force members in Singapore for the International Management of Serious Crime program. It is the 10th consecutive year the program has been conducted in Singapore by the AFP and the Singapore Police Force. The theme for the 2010 program was Transnational Crime—Regional Responses to Regional Challenges.

ASEANAPOL

Australia has been a dialogue partner in ASEANAPOL (the ASEAN Chiefs of Police Conference) since 2007, a forum that brings together police officers from the 10 south-east Asian member nations to forge stronger regional cooperation in police work, to build lasting friendships among the different agencies, to enhance police professionalism and to promote the prevention of crime in the region.

In March 2010, the AFP and the People's Police of Vietnam jointly hosted a Command, Control and Coordination Workshop in Vietnam as part of the Joint ASEAN Senior Police Officers Course. The Command, Control and Coordination Workshop was an agreed outcome of the 29th ASEANAPOL Conference.

In May 2010, AFP representatives attended the 30th ASEANAPOL Conference held in Phnom Penh, Cambodia.

Interpol

The AFP continued to host the Interpol National Central Bureau for Australia and seconds a Liaison Officer to the Interpol General Secretariat at Lyon in France to progress Australia's law enforcement engagement internationally on a greater scale.

During 2009-10 the AFP has:

- given support and funding to Samoa during its bid in October 2009 to become the 188th member-country of Interpol
- attended the 78th Interpol General Assembly in Singapore in October 2009 and, in conjunction with the Minister for Home Affairs, attended the Interpol/United Nations Ministerial Meeting
- hosted visits by Interpol's Secretary General in October 2009 and the Head of the Interpol Counter Terrorism unit in February 2010
- attended the sixth annual Heads of National Central Bureau Conference at Lyon in France in March 2010
- provided an AFP expert to the second Interpol Strategic Planners Meeting in Lyon (also in March 2010) to help set the future direction of Interpol
- funded and organised a Pacific Interpol system training program in Samoa in May 2010 and funded the upgrading of the Samoan National Central Bureau's communication system
- hosted the 20th Interpol DNA Monitoring Expert Group and the Australasian Regional DNA Symposium in Sydney in June 2010.

Europol

Europol is the European law enforcement agency that aims to improve the effectiveness and cooperation of member States in preventing and combating terrorism, unlawful drug trafficking and other serious forms of organised crime.

The creation of a dedicated AFP Interpol/ Europol team in April 2010 illustrated the AFP's increasing support for and use of this important membership.

Australia already contributes to a number of Europol analysis work files like **Synergy**, which addresses synthetic drugs such as MDMA and precursor chemicals, **Cola**, which addresses Latin-American networks involved in cocaine trafficking, **Phoenix**, which addresses the trafficking of human beings, **Monitor**, which addresses outlaw motorcycle gangs, **Terminal**, which addresses payment card fraud, **Twins**, which addresses child pornography networks on the internet, **Hydra**, which addresses Islamist terrorism, **Dolphin**, which addresses non-Islamist terrorism, and **Smoke**, which addresses the unlawful manufacturing and trafficking of tobacco products.

Australia provides significant intelligence to these and other Europol work files.

The AFP also seconded a member to Europol in The Hague. During 2009-10, the Europol Post disseminated significant amounts of intelligence from Europol and Romanian authorities to both the AFP and other domestic law enforcement agencies which supported a number of arrests in Australia in relation to ATM skimming.

The AFP Europol Post also hosted a number of high level visits to The Hague by the Australian Parliamentary Joint Committee on the Australian Crime Commission and the Australian Attorney-General's Department.

Additionally, a senior AFP officer attended the third Party Member States Meeting held by Europol in November 2009.

Memoranda of Understanding/Agreements

In 2010, Commissioner Negus signed a Memorandum of Understanding with senior representatives from the Central Bank in Malaysia. It is the first Memorandum of Understanding signed by the Bank that deals with police investigations. As Malaysia's National Bank, the financial intelligence unit and anti-money laundering regulator plays a similar role to that played by the Australian Transaction Reports and Analysis Centre in Australia.

The AFP also entered into agreements with the Ministry of Public Security in China and Hong Kong Police to share financial intelligence and with the Royal Solomon Islands Police Force, Solomon Islands Customs and Excise Division and Solomon Islands Immigration Division to promote the exchange of intelligence in areas of mutual interest such as terrorism, drug-trafficking and transnational organised crime and to enhance the mutual understanding of both agencies through visits, exchanges and the provision of training opportunities.

In May 2010 the AFP signed a Statement of Intent with the China National Narcotics Control Commission to progress cooperation between the Australian Illicit Drug Data Centre and the China Drug Intelligence and Forensic Centre. This agreement will lead to greater cooperation in the exchange of forensic drug intelligence and assistance in building capabilities.

Also in May 2010 Commissioner Negus and Commissioner-General Neth Savoeun of the Cambodian

National Police signed an Exchange of Letters to continue the operation of the Australian–Cambodian Joint Transnational Crime team. An agreement in relation to the team was first signed in August 2002.

The team is a joint law enforcement initiative aimed at combating organised criminal activities that threaten the mutual interests of Australia and Cambodia. The facility is staffed by Cambodian National Police members with the help of an AFP Advisor and governance arrangements are managed by both the AFP and the Cambodian National Police.

In 2010 the AFP also re-signed a new Statement of Intent with the United States Drug Enforcement Administration. The agreement enables the AFP and the United States Drug Enforcement Administration to continue to combat transnational crime and to enhance the cooperation that already exists between the two agencies.

Operational Outcomes

Colombo

In June 2009 the AFP opened a liaison office at Colombo in Sri Lanka under the auspices of the AFP's new policy initiative Enhancing Australia's Approach to People Smuggling.

Over the past 12 months the Colombo office has progressed people smuggling investigations in Australia and other regions where Sri Lankan people smugglers have been active that have resulted in the Sri Lanka Police Service arresting more than 40 people smuggling crews and agents in Sri Lanka, arrests in Australia and the disruption of a number of people smuggling ventures impacting on Australia.

To flag Australia's ongoing commitment to the fight against organised people

smuggling, the AFP also gifted cameras, tape recorders, scanners and card readers to the Sri Lanka Police Service's Anti Human Smuggling Investigative Branch in Colombo in December 2009, to the Negombo division police headquarters in January 2010 and office and IT equipment valued at nearly \$20,000 to the Sri Lanka Police Service's Criminal Investigation Department.

Port Moresby

In December 2009, the AFP and the Royal Papua New Guinea Constabulary joined forces in a six-month investigation to disrupt a drug syndicate conspiring to import 500 kilograms of cannabis into Australia that had an estimated street value in Australia of more than \$10 million.

The Royal Papua New Guinea Constabulary also arrested a Papua New Guinea national in-country and seized 18.9 kilograms of cannabis that was allegedly bound for Australia. The AFP subsequently arrested four people in Australia.

Phnom Penh

In October 2009, the AFP arrested an Australian national following his extradition from Cambodia on charges relating to online child sex exploitation within the *Criminal Code Act 1995*.

The extradition was the first from Cambodia to Australia since the introduction of the *Cambodian Criminal Procedures Code* in mid-2007 and the person is the first to face prosecution under that law since it came into effect on 1 March 2005.

His arrest was the result of an extensive investigation which began in June 2008 after the AFP's High Tech Crime Operations' Child Protection team received information from child protection

counterparts in Brazil that alleged offenders were sharing videos depicting child sexual abuse on the internet.

In October 2009, the Australian–Cambodian Transnational Crime team led the resolution phase of an eight-month joint international investigation that resulted in the arrest of 10 offenders and the seizing of 18 kilograms of heroin, two kilograms of crystal methamphetamine (ice), one tonne of ATS precursor chemicals and glassware and materials. The investigation also led to the recovery of US\$110,000, the seizing of six high-end late-model vehicles and US\$350,000 in counterfeit currency.

In February 2010, in conjunction with subject-matter experts from Australia and assistance from members of Cambodia’s National Authority for Combating Drugs, the AFP also successfully destroyed 20 metric tonnes of Amphetamine Type Stimulants precursor chemicals (15 tonnes of Sافلة oil and five tonnes of chemicals, including four million pseudoephedrine tablets) near Battambang in Cambodia.

New incineration technology delivered to Cambodia by the AFP enabled the burn to occur in a safe and environmentally friendly manner.

The Deputy Prime Minister of Cambodia, the Australian Ambassador to Cambodia, the Cambodian National Police Commissioner-General, members of the AFP’s Specialist Response Amphetamine Type Stimulants team, representatives from the United States Drug Enforcement Administration and thousands of local people attended the burn, a significant achievement in the suppression of amphetamine-type stimulants in Cambodia.

Guangzhou

In November 2009, as a result of an investigation undertaken in Australia, the AFP was able to present China’s Guangdong Provincial People’s Procuratorate with forfeited proceeds of crime worth more than \$4.16 million. The money is believed to have been the proceeds of misappropriated funds discovered during a corruption investigation in China which had been sent to Australia via Hong Kong.

Under the equitable sharing program, the Minister for Home Affairs had the discretion to return the funds in recognition of assistance received from that country that led to the recovery of such funds.

Hong Kong

Cooperation between the Joint Organised Crime Group Sydney Office and Hong Kong and Chinese authorities led to the arrest of a number of people in Sydney and the seizure of 52 kilograms of crystal methamphetamine. This operation also led to the capture of four kilograms of methamphetamine and 800 grams of cocaine.

Rangoon

During 2009-10, the AFP and Burma’s (Myanmar) Anti Narcotics Task Force conducted four successful joint operations which seized a total of 123 kilograms of Ice, 37,600 tablets of ATS and 98 kilograms of brown opium/morphine base and arrested 11 people.

Bangkok

In October 2009, the AFP’s National Manager Serious and Organised Crime and the Royal Thai Police Assistant Commissioner-General signed an Exchange

of Letters to continue AFP support for the Thailand–Transnational Crime Coordination Network through to June 2012.

The initial Exchange of Letters was signed in November 2006 and a second in August 2008.

The Thailand–Transnational Crime Coordination Network, staffed by Royal Thai Police members with the assistance of an AFP Police Advisor and a locally-engaged staff member, is a multi-crime-type network jointly established by the Royal Thai Police and the AFP to strengthen the capacity of the Royal Thai Police to counter transnational crime issues at home and abroad.

In March 2009, as a result of a joint AFP and Royal Thai Police investigation, the AFP arrested an Australian national in New South Wales for extra-territorial child sex offences alleged to have occurred in Thailand between 2006 and 2007. He pled guilty in April 2010 to two counts of committing an act of indecency on a person under the age of 16 years, contrary to the *Crimes Act 1914*, as well as to other offences.

During 2009 the Royal Thai Police also arrested an Australian national in Thailand for allegedly committing similar offences. The Thai prosecution is ongoing.

Bogota

Along with Panamanian authorities, the AFP uncovered an Australian and Panama-based syndicate involved in the trafficking of cocaine. This investigation resulted in the seizure of 60 kilograms of cocaine and the arrest of four Panamanian syndicate members.

The AFP also worked closely with South American authorities to dismantle a transnational drug syndicate which resulted in the arrest of three men in South America for allegedly importing cocaine into Sydney via the mail system. A 60-year-old man was arrested in Colombia and Peruvian authorities arrested a 55-year-old and a 25-year-old man on trafficking charges.

During the course of the investigation, the AFP intercepted three consignments of cocaine in Sydney during August, November and December of 2009, each containing approximately 300 grams of cocaine. Peruvian authorities also seized two consignments bound for Australia, each contained approximately 300 grams of cocaine.

Pretoria

During the reporting period the AFP seconded a member to the United Nations Office of Drugs and Crime Counter Piracy Program in Nairobi in Kenya to perform the role of International Maritime Security Advisor. The Advisor position is responsible for identifying the training needs of local police and coast guard forces who are involved in the processing, investigation and prosecution of pirates.

Component 1.1.2: Economic and Special Operations

Workload:

- 1,367 new cases
- 1,339 finalised cases
- 1,335 cases on hand at the close of 2009-10

Performance measures:

- 83 per cent of resources were directed to high and very high impact cases
- client satisfaction was 82 per cent
- estimated financial return was \$244 million
- 75 cases resulted in a legal process
- 91 per cent of cases reaching court resulted in a conviction

Overview

In February 2010, to support the implementation of the Commonwealth Organised Crime Strategic Framework, the AFP began realigning the Border and International Network and Economic and Special Operations portfolios into two new portfolios, Serious and Organised Crime and Crime Operations, within an integrated Crime Program.

The Economic and Special Operations function carried responsibility for managing a wide range of crime types contained within the spectrum of Commonwealth statutes. The function was divided into two major streams: Economic Operations and Special Operations.

A key objective of the AFP is to increase its focus on financial crime by targeting

priority money laundering syndicates and pursuing the proceeds of crime from across all crime types.

The Economic Operations stream delivered this Commonwealth law enforcement response to serious and complex financial criminality, money laundering, proceeds of crime and identity crime, as well as providing investigative support for Commonwealth agencies involved in fraud prevention.

The Special Operations stream delivered a law enforcement response to a wide range of Commonwealth offences including war crimes, currency crime, corruption and bribery of foreign officials, environmental crime, family law and emerging crime. The Special Operations stream also provided the National Missing Persons Coordination Centre.

Strategies included:

- focusing on the financial basis of crime by pursuing the proceeds of crime and money laundering
- attacking identity crime as the key facilitator of a broad range of crimes
- engaging in national and international law enforcement partnerships to combat transnational and organised economic criminal activity
- contributing updates to the AFP's Legislation Program
- responding to sensitive matters and special referrals from the Australian Government and other agencies.

While the AFP will continue to contribute to fraud prevention initiatives, it will also focus on identifying, targeting, disrupting and dismantling criminals and criminal groups that derive profit from crimes involving fraud that targets Australian citizens, businesses and the country's financial institutions.

Serious and Complex Fraud

The AFP continues to be the lead Australian law enforcement agency involved in the investigation of serious and complex fraud committed against the Commonwealth.

Fraud investigations are complex, organised and often transnational in nature so AFP resources are directed toward matters that have a high or very high impact on the Australian Government and our community.

A key AFP strategy in the fight against serious and complex fraud is multi-level engagement with national and international law enforcement agencies and the continual development of partnerships with the private sector both in Australia and overseas.

The AFP also chairs the Steering Committee for the Australian Government Fraud Liaison Forum, which is comprised of the AFP and other key Commonwealth agencies. The Forum meets twice a year to provide an invaluable opportunity for fraud-control professionals to network and exchange contemporary information relevant to the prevention, detection, investigation and prosecution of fraud.

In 2009-10, the AFP continued to assist other Australian Government agencies in their fraud control efforts by seconding AFP members to various Australian Government agencies, including:

- Australian Attorney-General's Department
- Centrelink
- Australian Crime Commission
- Australian Taxation Office
- Department of Foreign Affairs and Trade
- Australian Transaction Reports and Analysis Centre
- Department of Immigration and Citizenship.

These seconded officers help agencies improve their ability to identify, detect and investigate offences and to manage their investigations.

The AFP also assists other government agencies in the investigation of less complex fraud matters in line with its responsibilities under the *Commonwealth Fraud Control Guidelines 2002*.

Project Wickenby

Project Wickenby is an ongoing joint project involving the AFP, the Australian Taxation Office, the Australian Crime Commission, the Australian Securities and Investments Commission and the Commonwealth Director of Public Prosecutions with support from the Australian Transaction Report and Analysis Centre, the Australian Attorney-General's Department and the Australian Government Solicitor. The Australian Taxation Office is the lead agency for the overall project.

The AFP is currently conducting 15 operations investigating the criminal conduct of a large number of individuals, focusing on people identified as alleged organisers and facilitators of tax fraud and money laundering who are based in known tax havens. This includes high-risk taxpayers and accountancy firms involved in schemes that use offshore structures and financial transactions to facilitate tax avoidance.

During 2009-10, the AFP instigated court proceedings against 10 people and executed 54 search warrants across the 15 operations, charging 44 people with serious fraud and money laundering offences and four so far have been convicted and are serving custodial sentences.

Through Project Wickenby, the AFP continued to develop its own capability in combating tax crimes as well as

developing domestic and international partner agencies. Also under the Project Wickenby banner 206 members have been trained during 2009-10 in money laundering investigation, proceeds of crime recovery and in financially-based programs designed specifically for Project Wickenby.

The AFP received \$7.9 million in funding for the project in 2009-10, with a further \$14.8 million through 2011-12 and 2012-13.

Money Laundering

In 2009-10, money laundering investigations continued to be a key focus of the Economic and Special Operations function. Organised crime is driven by a profit motive and financial gain underlies the entire criminal economy.

Investigations are centred on attacking the financial base of transnational criminal syndicates and pursuing money laundering offence as part of predicate offence investigations across all crime types investigated by the AFP. (A predicate offence is an offence that generates proceeds which may become the subject of an offence.)

During 2009-10, the AFP continued to commit resources to its Financial Investigations teams in Sydney, Melbourne, Brisbane, Adelaide and Perth. The teams also include officers seconded from partner agencies such as the Australian Taxation Office and the Australian Transaction Reports and Analysis Centre.

Due to the transnational nature of money laundering activity, it is imperative the AFP focuses on the disruption of organised crime syndicates through close collaboration with our international partners and by sharing financial intelligence under the provisions

of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

Commissioner Negus also co-chairs the Asia-Pacific Group on Money Laundering which plays a significant role in representing the interests of the Asia-Pacific region at international anti-money laundering forums such as the global Financial Action Task Force.

The group is particularly focused on money laundering and the identification of terrorist financing in the Asia-Pacific region and helps its members implement recommendations made by the Financial Action Task Force in relation to money laundering and terrorism financing.

Member States are also required to undergo periodic review to establish their level of implementation of the Financial Action Task Force recommendations.

The AFP continued to deliver specialist training in financial, money laundering and proceeds of crime investigations to State, Territory and Commonwealth Law Enforcement partners. In May 2010 the AFP hosted the first International Money Laundering Investigations program to provide a forum for liaison, education and information-sharing among international policing agencies and to enhance an awareness of money laundering method. The program, which was funded by the AFP, attracted participants from China, Hong Kong, Indonesia, Malaysia, Maldives, New Zealand, Pakistan, Singapore, Sri Lanka, Thailand, United Arab Emirates and Vietnam.

Proceeds of Crime

In partnership with the Commonwealth Director of Public Prosecutions and the Insolvency and Trustee Service Australia, the AFP is responsible for the

identification, restraint and forfeiture of the proceeds of crime.

Every investigation undertaken by the AFP is scrutinised to determine if proceeds of crime action is applicable, and where it is determined action will be taken the case is referred to one of the specialist asset forfeiture teams located in Perth, Melbourne, Adelaide, Sydney and Brisbane.

These teams are composed of financial analysts and specialists trained in locating concealed wealth in Australia and in overseas jurisdictions.

One of the most effective methods of disrupting and dismantling organised criminal syndicates is to remove their financial base. The *Proceeds of Crime Act 2002* enables the restraint and forfeiture of monies and assets derived as a result of criminal activity committed against laws of the Commonwealth.

Because the funds generated by serious and complex fraud offences continue to be the major source of all proceeds of crime restrained by the AFP, we remain committed to the development and strengthening of our capacity to identify and restrain the illicit proceeds gained from these forms of crime.

In 2009-10, the AFP restrained \$18.9 million in assets, while \$8.3 million in assets were forfeited and \$23 million recouped. Pecuniary penalty orders to the value of \$13.1 million were also made.

Coercive Powers

Due to the collaborative efforts of the AFP and the Australian Crime Commission in tackling organised crime, the AFP continued to effectively use an Examinations team in Sydney during 2009-10.

The team provides a direct connection between AFP operational activity and Crime Commission examinations to develop criminal intelligence that will assist current and future operations, a strategy that recognises the value of the Crime Commission's coercive powers in addressing serious criminal threats.

The Examinations team sits in the Economic and Special Operations portfolio and is functionally aligned with the Australian Crime Commission to service the AFP Crime Program, Intelligence and Counter Terrorism.

This capacity to use coercive powers has developed to the point where this investigative tool is now a tactical and strategic consideration in the planning and resolution of AFP investigations and intelligence probes.

Identity Crime

The AFP participates in the National Identity Security Strategy and also chairs the Opal Group, a range of Commonwealth agencies with responsibility for identity crime enforcement issues, identifying common identity security threats, developing effective inter-agency cooperation and facilitating the timely exchange of intelligence.



Bundles of fraudulently obtained credit cards and associated false identity documents.

Identity crime affects all jurisdictions and facilitates a broad range of transnational crimes ranging from financial frauds to the importation of narcotics and migration offences to money laundering and terrorism.

In conjunction with the AFP's High Tech Crime Operations function, and as part of the four-year new policy initiative, identity security strike teams are now located in Sydney, Melbourne, Brisbane and Perth and made up of Australian Crime Commission, Australian Customs and Border Protection Service, Department of Immigration and Citizenship and other State law enforcement and regulatory agency members.

The strike team network provides advice on operational issues and current trends in identity security to guide government initiatives and contributes to the Commonwealth Reference Group on Identity Security.

To expand upon the strike team strategy, the AFP has also implemented an online identity crime investigations capacity in Melbourne and Sydney to focus on investigating serious and organised online identity crime.

These teams complement the work undertaken by the strike team network around Australia.

Special Operations

Corruption and Bribery

Special Operations is responsible for investigating sensitive matters and special referrals from the Australian Government and other agencies about corrupt public officers, unauthorised disclosure of Commonwealth information, bribery of foreign public officials and other matters that may affect proper governance within the Commonwealth.

In support of the Australian Government's fight against corruption, in 2009-10 the AFP assisted the Organisation for Economic Cooperation and Development Working Group on Combating Bribery of Foreign Public Officials in International Business Transactions and was also a member of the peer review monitoring team that examined Israel's implementation of the recommendations provided for under the Organisation for Economic Cooperation and Development Convention. The review team, comprised of Lead Examiners from Switzerland and Australia together with support from the Organisation for Economic Cooperation and Development Secretariat, met with representatives from Israel's public administration, private sector and civil society.

Table D: Restraint, forfeiture and recouping of assets

Year	2006-07	2007-08	2008-09	2009-10
Assets restrained	30.1	44.5	22.7	18.9
Assets forfeited from restrained status, \$m	5.0	0.4	2.7	1.0
Assets forfeited— not restrained, \$m	0.3	0.1	0.1	7.3
Assets recouped, \$m*	15.0	27.4	12.3	23.1
Pecuniary penalty orders, \$m	3.9	3.3	3.6	13.1

*Recouped refers to the value of the assets when seized, rather than when forfeited.

The final report compiled by the Organisation for Economic Cooperation and Development Working Group on Combating Bribery of Foreign Public Officials in International Business Transactions is available at www.oecd.org

Allegations of bribery of foreign public officials give rise to complex international legal and factual matters, including potential multi-jurisdictional issues. In recognition of this, the AFP in 2009-10 engaged with international law enforcement partners from Canada and the United States of America with a view to identifying investigational best-practice that in future may enhance the AFP's response to this crime type.

Environmental Crime

Crimes against the environment can cause serious harm to ecosystems, the community and the economy. The wide-ranging nature of potentially harmful activities requires strong partnerships between government agencies, police and the community.

In 2009-10, the AFP worked closely with the Department of Environment, Water, Heritage and the Arts, resulting in an improved process for referring investigations to the AFP.

War Crimes

The AFP investigated a number of war crimes under Australian law and also assisted in the resolution of war crimes matters being investigated by international law enforcement agencies. During 2009-10, the AFP assisted international law enforcement agencies in two separate extradition processes for alleged war crimes offences committed overseas. The assistance provided was consistent with relevant legislation and government policy.

The AFP continued to enhance its ability to respond to war crimes by undertaking war crimes investigations training with the International Criminal Court and the Institute for Criminal Investigations in The Hague during the reporting period.

The AFP also contributed to a number of Inter-Departmental Committee meetings chaired by the Department of Immigration and Citizenship on policy and security issues for managing visits to Australia of persons of war crime concerns, including those who are the subject of human rights abuse allegations.

The AFP enjoys a positive working relationship with the War Crimes Tribunal in The Hague and the International Criminal Court.

Illegal Foreign Fishing

In early 2006 the Australian Government announced significant measures to combat illegal foreign fishing and to improve maritime security when unauthorised foreign vessels are detected in Australian territorial waters.

The proposals will provide for better integration and coordination of the Government's handling of maritime threats and its strategic response on preventative action.

To combat illegal fishing and to improve maritime security in Australia, the AFP works in partnership with the Australian Fisheries Management Authority, the Great Barrier Reef Marine Park Authority, the Department of Agriculture, Fisheries and Forestry, the Australian Customs and Border Protection Service Coastwatch, the Department of Defence and with other State and Territory authorities.

Significant Events

Operation Adduce was a joint investigation into a criminal syndicate believed to be involved in the importation, manufacture and distribution of drugs by a Sydney Orion team and the New South Wales Crime Commission. As a result of investigations, the AFP seized approximately \$7.8 million, believed to be the proceeds of the drug offences. Some of the money was seized at Sydney Airport during an attempt to move it out of the country.

Two people were subsequently charged with possession of property reasonably suspected of being the proceeds of crime contrary to section 400.9 of the *Criminal Code Act 1995* and the movement of physical currency out of Australia contrary to section 53 of the *Anti-Money Laundering and Counter Terrorism Financing Act 2006*.

A third person was charged with possession of property reasonably suspected of being the proceeds of crime, dealing in the proceeds of crime, aiding and abetting the movement of physical currency out of Australia, opening an account with a cash dealer in a false name contrary to section 24(1) of the *Financial Transaction Reporting Act 1988* and making a false statement to obtain an Australian passport contrary to section 10(1)(a) of the *Passports Act 1938*.

Operation Mawson was an investigation into large amounts of money being remitted out of Sydney to Vietnam. It was suspected the large amounts of cash being remitted were the proceeds of crime.

The investigation began when a Sydney money laundering team received a referral from the Australian Crime Commission High Risk Funds Strategy and resulted in the seizure of over \$9 million in cash.

At present four people have been charged with a number of money laundering offences and the matter is ongoing.

Operation Paramount was a Brisbane Office investigation into the Chinese-registered vessel that ran aground on Douglas Shoal off the Queensland coast, a gazetted exclusion zone within the Great Barrier Reef Marine Park.

This investigation led to the arrest of the First Officer and the Captain of the vessel who were charged with causing damage in a Marine Park contrary to section 38FC of the *Great Barrier Reef Marine Park Act 1975*. The maximum penalty for this offence is a \$55,000 fine.

The AFP worked closely with partner agencies the Australian Maritime Safety Authority and the Great Barrier Reef Marine Park Authority during the investigation.

Investigation into MV Mimosa In April 2010, the Cairns Office began an investigation into allegations that the 189 metres long bulk carrier the MV Mimosa had entered restricted zones of the Great Barrier Reef Marine Park.

Enroute to the Abbot Point Coal Terminal at Bowen in Queensland, the vessel traversed two restricted marine park "green" zones and a "yellow" conservation park zone within the marine park, did not register with the Reef Vessel Tracking System, failed to provide a pre-entry report and did not respond to initial contact attempts made by the Vessel Tracking System control room.

The route used by the ship was a significant deviation from internationally-designated shipping channels and presented a high risk to the Great Barrier Reef Marine Park.

On 10 April 2010, AFP members boarded the MV *Mimosa* at the Abbott Point Coal Terminal and executed a search warrant. The South Korean Master and the Vietnamese second and third officers were subsequently charged with offences under the *Great Barrier Reef Marine Park Act 1975*. Each man was fined \$70,000 in the Townsville Magistrates Court, the largest penalties recorded so far for the nominated offences.

Operation Havanese was a joint investigation by the AFP, the Australian Customs and Border Protection Service and the Australian Taxation Office into two Brisbane duty-free stores from which manufactured tobacco products meant for export were allegedly being diverted to the domestic market to avoid paying duty and excise.

Sales records were falsified to show the tobacco products were being exported from Australia, when in fact they were being sold throughout south-east Queensland via a network of retail outlets which netted large sums of money for the offenders because of their failure to pay the appropriate duty and excise associated with the domestic sale of tobacco products.

It was identified during the investigation that approximately \$13 million in duty and excise payments had been evaded by those involved. Eleven people were eventually convicted and assets and cash to the value of more than \$15 million were restrained by the AFP as proceeds of crime.

Operation Avarice built on intelligence developed by the AFP's Melbourne Office Identity Security Strike team during

Operation Tropical and timely information supplied by partner agencies.

The Sydney and Melbourne Identity Security Strike teams collaborated to investigate a major criminal syndicate involved in the production and use of counterfeit credit cards and supporting identity documents, including Medicare cards and New South Wales driving licences.

The credit cards and identity documents were used to undertake organised shopping activities across Queensland, New South Wales, the Australian Capital Territory and Victoria to purchase high-end electronics, store gift cards, tobacco and alcohol which were then sold for profit.

The false identification was also used to commit identity thefts and for the fraudulent withdrawal of funds from victims' bank accounts.

The resources of six Identity Security Strike team partner agencies were used in the investigation, demonstrating the value of working collaboratively with our law enforcement allies. In all, eight suspects were arrested in New South Wales and Victoria and charged with participating in a criminal group and dealing in instruments of crime valued in excess of \$1 million. The investigation dismantled a major criminal syndicate that had been operating across Australia and internationally.

Operation Forte began in February 2010 when the Head Office Investigations team investigated allegations that six counterfeit Australian passports had been used by unknown persons involved in the murder of an Hamas leader in Dubai on 19 January 2010.

The investigation revealed that the passports were related to the "L" series issued to legitimate Australian citizens who were all resident in Israel.

The investigation involved extensive inquiries in Australia and interviewing the legitimate passport holders in Israel and meetings with the United Kingdom Serious Organised Crime Agency who were investigating a similar misuse of British passports in Dubai. Dubai authorities had also identified suspicious Irish and German passports as being used by suspects in the murder of Mr al-Mabhouh.

The investigation did not implicate any Australian citizen as being involved nor identify those responsible for creating the counterfeit passports.

Operation Solis began on 20 August 2009 when the AFP determined to investigate a referral received from the Australian Attorney-General's Department regarding the deaths of Mr Brian Peters, Mr Greg Shackleton, Mr Gary Cunningham, Mr Tony Stewart and Mr Malcolm Rennie, collectively known as the "Balibo Five". The investigation is ongoing.

Operation Mane On 23 August 2008, an Australian photographer and a Canadian journalist were taken hostage in Somalia and held against their will for almost 15 months until their families were able to secure their release in November 2009.

At the beginning of the incident the AFP was represented on the Interdepartmental Emergency Task Force led by the Department of Foreign Affairs and Trade and on a Joint Task Force established in Kenya and operated throughout the incident by representatives from the Australian and Canadian governments.

Project Wickenby is a whole-of-government task force that was set up in 2006 after a referral to the AFP from the Australian Taxation Office to investigate tax avoidance, tax evasion and large-scale money laundering.

A transnational fraud and money-laundering operation thought to involve around \$100 million has been shut down and another related investigation is estimated to involve around \$12 million. Authorities in Vanuatu and New Zealand were involved in both these investigations, with the AFP providing extensive assistance to the Vanuatu Police upon request.

Forty-four people have currently been charged with serious fraud and money-laundering offences. The project is ongoing and the AFP continues to work with the Australian Taxation Office and other partner agencies to investigate taxation fraud.

Family Law

The AFP provides policing services to Family Law and Federal Magistrates courts nationally. These services can range from investigating criminal offences related to breaches of obligations of certain parenting orders to the execution of a range of legal processes, including recovery orders and family law arrest warrants.

During 2009-10, the AFP was actively engaged in a number of Family Law Court and Federal Magistrates Courts forums which provided opportunities for the AFP and judicial staff to understand each other's roles and responsibilities and to continue the cooperative and productive relationship that exists between the AFP and the Courts.

The AFP also maintains a coordination role regarding Family Law Orders that prevent a child from leaving Australia without both parents' permission.

These services are provided in cooperation with State and Territory police as appropriate.

National Missing Persons Coordination Centre

Missing persons is a significant issue for the Australian community with approximately 35,000 people being reported as missing each year to police and non-police agencies. Research indicates that for every person reported missing the impact of their disappearance is felt by 12 others.

The Australian Government continues its commitment to missing persons and their families by funding the National Missing Persons Coordination Centre that sits within the AFP.

The Centre works closely with State and Territory police services and community-based organisations to ensure there is a national, coordinated approach to the location of missing persons, to reduce the incidence and impact of missing persons, and to educate the broader community about the significance of the missing-persons phenomena.

A multi-profiled age-progressed poster was launched for the first time in Australia in early 2010.

The poster featured the forensically-altered profiles of six long-term missing persons to provide a representation of how they may look now in the hope of sparking recognition within a community.



Minister for Home Affairs Brendan O'Connor, launching the first age-progressed poster at Sydney Airport.

This poster was in addition to two posters featuring 16 missing persons nominated by State and Territory missing persons units that contributed to an increased location rate of those missing persons.

Sighting reports can be made on the National Missing Persons Coordination Centre's website which will be relayed to the relevant State or Territory police missing person's unit. The website also has downloadable posters of missing persons.

Advertising Campaign Changes Attitudes

The National Missing Persons Coordination Centre organises media advertising campaigns to raise awareness in the national and global community of the significance of missing persons as a social issue. Market testing of the campaigns identified success in changing attitudes and increasing an understanding of the issues surrounding people who go missing and the impact that can have on their family members.

Global Partnerships

The AFP, through the National Missing Persons Coordination Centre, led a global campaign for International Missing Children's Day in partnership with the International Centre for Missing and Exploited Children based in the United States. Nine countries from across four continents participated in the campaign, which focused on the complex issue of international parental child abduction.



AFP Commissioner Tony Negus and Raphael Battistessa, the father of two children who were parentally abducted, release balloons to commemorate International Missing Children's Day.

Police Consultative Group on Missing Persons

In 2009-10 the National Missing Persons Coordination Centre convened a meeting of the Police Consultative Group on Missing Persons, bringing together representatives from all State and Territory police missing persons units or their equivalent. The Police Consultative Group on Missing Persons meets to identify and resolve issues that hamper a consistent and effective law enforcement response to locating missing persons.

Component 1.1.3: Terrorism

Performance measures:

- 99 per cent of resources were directed to high and very high impact cases
- 83 per cent of resources were devoted to operational activity and 17 per cent were devoted to capacity development activity
- client satisfaction was 98 per cent
- 100 per cent of counter-terrorism investigations were preventative
- 100 per cent of counter-terrorism investigations resulted in a prosecution, disruption or intelligence referral outcome

Overview

Terrorism is a global threat and ensuring Australia's national security is a significant priority for the AFP. Cross-functional alignment continues to be the key to successful counter terrorism business outcomes, particularly within the government's broader definition of national security. The Counter Terrorism portfolio remains focused on developing productive relationships within the whole-of-government national security framework.

The counter terrorism function in the AFP has primary responsibility for countering terrorist threats and preventing and investigating terrorist activity that is directed against Australia and Australian interests both at home and abroad.

In close partnership with other government agencies, the intelligence community, State and Territory law enforcement agencies and international

law enforcement agencies the AFP collaborates on a range of counter terrorism activities, including:

- conducting and coordinating investigations into terrorist-related activity through Joint Counter Terrorism teams in each State and Territory
- undertaking operational and capacity building activities in collaboration with the AFP's International Network and international law enforcement agencies to combat terrorism regionally and globally
- developing initiatives to enhance the counter terrorism capacity and capability to identify, deter, prevent, disrupt and investigate terrorist activities, both domestically and internationally
- developing initiatives and contributing to the whole-of-government approach to combating terrorism and countering violent extremism at the domestic level.

The AFP made a significant contribution to countering terrorism within Australia, the region and internationally during 2009-10. There were five terrorism-related arrests, 10 terrorism-related convictions in Australia in the past 12 months and a further nine alleged offenders are currently before the courts.

The AFP international strategy for south-east Asia aims to provide ongoing support to address national security issues and to enhance regional counter terrorism capacity and capability through the:

- AFP counter terrorism teams in Jakarta, Indonesia and Manila, the Philippines provide investigative, forensic and analytical support to these and other regional partners for their counter terrorist investigations.
- Jakarta Centre for Law Enforcement Cooperation

- regional bomb data centres in Indonesia, the Philippines, Malaysia and Thailand
- forensic explosives laboratory in the Philippines that provides forensic capabilities to support bomb blast investigations
- DNA laboratory in Indonesia, which facilitates large-scale disaster victim identification activities, along with crime scene and post-blast investigations.

During 2009-10 the AFP also supported a number of offshore operations to disrupt terrorist activity across south-east Asia. As part of the International Network, maintained offshore counter terrorism liaison officers in Washington, London, Jakarta and Islamabad to enhance liaison with those countries.

The AFP also contributed significantly to whole-of-government national security initiatives and provided input to the Counter Terrorism White Paper released in February 2010.

Domestic Counter Terrorism Measures

Joint Counter Terrorism Teams

During 2009-10, the AFP progressed nationally consistent governance frameworks for the strategic management of counter terrorism operations through the development of Memoranda of Understanding with each Australian jurisdiction. These Memoranda of Understanding seek to integrate and coordinate the roles and functions of law enforcement and security intelligence as equal partners to the arrangements.

The AFP enjoys strong, cooperative, coordinated and consultative investigative relationships with its Commonwealth, State and Territory partners through the Joint Counter Terrorism Teams in each jurisdiction.

The teams are made up of AFP, State and Territory police, Australian Security Intelligence Organisation officers and representatives from other agencies. The aim of the teams is to work closely with other domestic agencies, the broader intelligence community and international partners to identify and investigate terrorist activities in Australia, including terrorist financing, with a focus on preventative operations.

In collaboration with our State and Territory partners, the teams also form an important role to an investigative response in the event of a terrorist incident to ensure a coordinated multi-jurisdictional and international framework.

The Street Review

As a result of issues identified by several terrorism prosecutions, the AFP commissioned the Street Review, a high-level review of interoperability between the AFP and its national security partners.

Led by Sir Laurence Street, the review focused on the adequacy of existing practices, policies and inter-agency governance frameworks and contained 10 recommendations that covered four broad areas:

- operational decision-making processes
- joint taskforce arrangements
- information-sharing
- training and education.

Significantly, all recommendations were implemented, providing an effective framework for increased interoperability between the AFP, the Australian Security Intelligence Organisation and the Commonwealth Director of Public Prosecutions.

All agencies are committed to working collaboratively and cooperatively under this framework and continue to refine the processes put in place.

The Chief Executive Interoperability Forum and the Counter Terrorism Operations Oversight Committee have also been formed to address multi-agency counter terrorism issues and are in the process of being enhanced to include all partners in the counter terrorism arrangements. Information technology connectivity has also been improved between the agencies through enhanced accommodation arrangements.

The Clarke Inquiry

The Clarke Inquiry into the Dr Mohammed Haneef case began in March 2008 with Mr Clarke presenting a report containing 10 recommendations to the Australian Attorney-General on 21 November 2008.

The recommendations of particular relevance to the AFP were those addressing legislation and concerning cooperation, coordination and interoperability in national security operations.

All recommendations specific to the AFP have been implemented. Any recommendations not implemented to date are due to broader factors that either impact on other agencies or are beyond AFP control.

Further to the 10 recommendations made by the inquiry, additional issues raised by Mr Clarke have been addressed by the AFP and are now considered standard investigative

practice such as the operational protocols and investigational structures developed for counter terrorism investigations.

The AFP continues to develop and build its investigative capacity through the delivery of programs on cultural awareness and language training, investigations training and cross-agency exercises such as Islamic Cultural Awareness training, the Counter Terrorism Investigators Workshop and the Advanced Counter Terrorism Investigators Program.

The Family Investigative Liaison Officer Program

In 2009-10, the AFP continued to commit resources to the Family Investigative Liaison Officer program. In the event of major domestic or international incidents and disasters, including terrorism-related events, the program manages the AFP's relationships with Australian victims and their families.

The liaison officers provide information and advice to victims and their families on the progress of investigations undertaken domestically and in foreign law enforcement jurisdictions, ensuring that victims and their family's needs are considered and that they are treated appropriately and professionally at all times.

During 2009-10, liaison officers provided advice:

- to the family of an Australian citizen murdered in Papua New Guinea in July 2009
- and assistance to the Australian families affected by the terrorist bombings in Jakarta in Indonesia in July 2009
- to the Australian families affected by a fatal plane crash in Papua New Guinea in August 2009

- and support to the families of persons charged during Operation Neath
- to the Australian families affected by the tsunami in Samoa in September 2009.

Preventive Measures

The AFP recognises that community engagement is an increasingly important strategy for building resilience against extremist influences and for addressing social issues and has implemented the National Community Engagement Strategy to build positive, trusting and cohesive relationships with the communities.

Communities are a crucial partner in protecting Australia from terrorism and a valuable source of information regarding terrorist-related activity.

The objectives of the strategy are to:

- build trust and foster cooperation between the AFP, partner agencies and those communities identified as being at risk
- develop information-sharing which leads to better communication and decision-making
- provide support to AFP investigations through increased awareness of cultural, ethnic, religious and language differences
- provide alternative narratives to extremist rhetoric
- develop performance measures which identify gaps in community engagement and provide solutions to remedy those gaps.



Sydney Office Community Liaison team members and the women who attended the Muslim Women's Leadership Camp held in Arcadia, Sydney.

Community Liaison teams in Sydney and Melbourne continually undertake activities of benefit to the community generally that also improve AFP members' understanding of the diverse communities this country has and their unique needs. In conjunction with partner agencies, the community liaison teams develop, support and implement these programs that acknowledge the important role communities play.

The teams have undertaken various activities in 2009-10 aimed at connecting with specific communities such as hosting a number of Iftar events (breaking of the fast during Ramadan) in Melbourne and Sydney.

More than 280 members from 40 Muslim communities attended the Iftar event in Melbourne in August 2009 and 415 members of the Muslim community attended the Iftar event held in Sydney in September 2009.

The Sydney Community Liaison team was awarded an Australian Muslim Achievement Award in recognition of this event.

Commissioner Negus also hosted breakfasts in Sydney and Melbourne during 2010 so representatives from the Muslim community could meet members of the AFP Executive and to demonstrate the commitment the AFP has to engaging and working with the Muslim community.

A number of activities aimed at engaging young people have also been conducted such as the Muslim youth leadership challenge, AFP office tours and school presentations.



AFP Commissioner Tony Negus and Minister for Home Affairs Brendan O'Connor attended the Unity Cup family day at Windy Hill in Melbourne facilitated by the Melbourne Office Community Liaison team.

As part of the strengthening communities through sport project, the AFP joined with the Bankstown City Council and the Australian Football League to host Harmony Day in Sydney in March 2010 and, in partnership with the Essendon and North Melbourne Football clubs and Victoria Police, the AFP held a Unity Cup Family Day in Melbourne in April 2010.

Through sport, entertainment and family events such as these the AFP is strengthening ties with members of the various ethnic and religious communities now found in our capital cities.

In May 2010, 44 women attended a Muslim Women's Camp hosted by the AFP in partnership with the Mission of Hope. The camp built relationships, developed leadership skills and presented an opportunity for members of the community to raise concerns directly affecting them with the AFP.

Counter Radicalisation

The danger of radicalisation leading to violent extremism has been identified as a threat to Australia's national security. The AFP continues to contribute to whole-of-government policy development on countering violent extremism in a preventative national security regime through participation in the National Counter Terrorism Committee Countering Violent Extremism Sub-Committee and the Australian Attorney-General's Countering Violent Extremism Unit

Through participation in these forums the AFP works collaboratively with other agencies to develop early intervention and prevention strategies for persons at risk of being radicalised to violent extremism.

The challenge is to identify individuals at risk, develop initiatives to counter extremism and to assist with the reintegration of radicalised or marginalised groups into the community. Continued cooperation and engagement between the AFP, Commonwealth, State and Territory partner agencies and the community is essential to counter this threat.

The AFP also supports strategies to counter radicalisation in Australian prisons and to establish disengagement and rehabilitation programs.

National Counter Terrorism Committee

Throughout 2009-10 the AFP continued to be represented on the National Counter Terrorism Committee and subordinate forums.

Through the Committee the AFP contributes significantly to counter terrorism capability development in:

- legal and legislative development
- public information and communication

- nationally compatible communication and information management
- operational responses
- preventative investigations
- chemical, biological, radiological and nuclear security and policy.

Investigations Support Capability Coordination Sub-Committee

During 2009-10, the National Counter Terrorism Committee continued to develop investigative capability and capacity through the Investigations Support Capability Coordination Sub-Committee.

Both the National AFP and ACT Policing are members of the sub-committee, working collaboratively with all police jurisdictions in the development of investigation capability.

Counter Terrorism Multi-jurisdictional Exercises

The AFP continued to support multi-jurisdictional counter terrorism exercises domestically and internationally. These exercises contribute to Australia's ability to prepare for and prevent acts of terrorism and test our capacity to respond to incidents which involve Australians or Australian interests. During 2009-10, the AFP committed resources to the following domestic exercises:

- **Magnum Force:** involved a discussion exercise assessing and evaluating AFP National Counter Terrorism, ACT Policing and Australian Security Intelligence Organisation interoperability in response to a major counter terrorism incident
- **Harmonic Wave:** involved a discussion exercise looking at the policies, procedures, protocols, Memoranda of Understanding and standard operating procedures in the context of a multi-jurisdictional counter terrorism investigation
- **Platinum Rain:** involved a discussion exercise focusing on the effectiveness of existing terrorism legislation in relation to preventative investigations and preventative detention orders in a counter terrorism investigative environment
- **Mercury 10:** planning was continual throughout 2009-10 for this multi-agency, multi-jurisdictional exercise that involves Commonwealth, State and Territory agencies.



Homemade grenades seized from the Moro Islamic Liberation Front, a terrorist group in the Philippines, highlights the real threat of terrorism in south-east Asia.

International Counter Terrorism Measures

The AFP is provided funding under policy initiatives to specifically address various international counter terrorism measures. These measures include regional operational and capacity building activities, maintenance of a rapid response capability to manage terrorist crises impacting on the economic, social and political stability of Australia's local and global interests and continued collaborative work with regional partners in operational support and intelligence-sharing.

Counter Terrorism Offshore Rapid Response

The AFP continues to enhance its capacity to provide a rapid response to major incidents affecting Australians and Australian interests offshore and to provide forensic, technical and investigative support to investigations.

The AFP also provides support and liaison in a preventative capacity during major international events where the potential for terrorist attacks exists. During 2009-10, the AFP deployed to various locations around the world, including to the 2010 Hockey World Cup in India.

Fighting Terrorism at its Source

This successful initiative enables the AFP to work alongside our local counterparts to counter terrorism in the region. During 2009-10, the AFP continued to closely engage with and develop capacity in the region by providing:

- continued support to the Jakarta Operations Centre, the Bangkok Training and Development Centre and the Manila Regional Cooperation team
- development of enhanced surveillance and intelligence capabilities within the region to support investigations
- language and cultural awareness training for AFP members and State and Territory police to enable them to engage more effectively with offshore partners.

These initiatives allow the AFP to consolidate resources in the region and take a coordination role in multilateral information exchange. The initiative has also led to increased cooperation and training opportunities with regional police. Another measure of success in working collaboratively with regional police has been the mutual transference of skills to international agencies.

Regional Law Enforcement: Counter Terrorism Liaison and Capacity Building

This initiative expands on AFP efforts to enhance the capacity and skills of regional law enforcement officers to prevent, deter and investigate terrorism. Key activities include:

- expanding the offshore Counter Terrorism Liaison Officer Program to improve counter terrorism liaison with priority countries as part of the AFP International Network
- providing offshore counter terrorism exercises to test and validate regional capabilities, identify development opportunities and enhance inter-agency relationships throughout the region
- maintaining, enhancing and continually expanding the AFP-developed Case Management and Information System for use in the region. This software system has improved the ability of law enforcement agencies to effectively manage information in counter terrorism operations and to combat the growing threat of transnational crime
- providing ongoing support to the Philippines to enhance the purpose-built forensic explosives laboratory that provides forensic capabilities to support bomb blast investigations
- providing support to Indonesia's DNA laboratory that provides large-scale Disaster Victim Identification and crime scene and post-blast investigations capabilities. The facility also has the capacity to process biological samples such as human tissue and bodily fluids.

Significant Events

Domestic Counter Terrorism

Operation Pendennis-Eden

- Resulted in the conviction of nine persons for a range of terrorism-related offences contrary to the *Criminal Code Act 1995*. The trial lasted more than 11 months with all convicted persons being sentenced to terms of imprisonment for up to 27 years.

Operation Halophyte

- Resulted in the arrest and charging of three persons for terrorism-related offences under the *Charter of the United Nations Act 1945*. All three persons were convicted in March 2010.

Operation Neath

- Resulted in five persons being charged with terrorism-related offences contrary to the *Criminal Code Act 1995*. The trial for this matter began in July 2010.

International Counter Terrorism

- In April 2010 the AFP provided support to the Australian Government security arrangements for the Hockey World Cup in India and provided expertise in counter terrorism matters.

Program 1.2: Close Operational Support

Component 1.2.1: High Tech Crime Operations

Workload:

- 690 new cases
- 513 new support cases (including 198 surveillance support types)
- 776 finalised cases
- 376 finalised support cases (including 173 surveillance support types)
- 499 cases on hand at the close of 2009-10
- 776 support cases on hand at the close of 2009-10 (including 178 surveillance support types)

Performance measures:

- external client satisfaction was 91 per cent
- internal client satisfaction was 86 per cent
- 97 per cent of High Tech Crime Operations resources were directed to high or very high impact cases
- conviction rate for High Tech Crime Operations cases was 97 per cent
- 83 per cent of surveyed sample indicated increased awareness post-delivery of presentations on technology-enabled crime

Overview

The High Tech Crime Operations portfolio aims to build a highly technical investigative capability for the AFP by anticipating and identifying emerging technology challenges for law enforcement and by developing response strategies for these challenges through engaging with domestic and foreign law enforcement agencies, government, industry, academia and the public.

The portfolio is headed by an Assistant Commissioner who has responsibility for two branches: Investigations and Business Delivery and Collections and Capabilities.

Investigations and Business Delivery consists of five units:

- High Tech Crime Investigations
- Child Protection Operations
- Technology and Investigations Support
- Crime Prevention
- Business Delivery.

Collections and Capabilities is composed of five units that deliver technical assistance to AFP investigations. They are:

- Surveillance
- Radio and Electronic Support
- Technical Operations
- Technical Capability Delivery
- Telecommunications Interception.

High Tech Crime Operations provides the AFP with an enhanced capability to investigate, disrupt and prosecute offenders who are committing serious and complex technology crimes by providing technical and physical surveillance capabilities, developing and deploying enhanced technical systems, capabilities and best-practice close operations support to AFP Operations and to the broader AFP.

High Tech Crime Operations also contributes to the development and compliance of legislation, to policy and governance, and coordinates technical support for targeting information and communications technologies.

In contributing to overall public value, High Tech Crime Operations monitors trends in technology crime and participates in inter-governmental and international forums with national and international strategic partners. Cyber-Safety, E-Security National Agenda and Enhanced Technical Surveillance are key programs that reflect the scope of High Tech Crime Operations' charter.

Investigations and Business Delivery

Investigations and Business Delivery contains investigative teams, technical investigations support teams and the portfolio's crime prevention and business delivery teams.

High Tech Crime Investigations

The High Tech Crime Investigations teams are comprised of investigators and technical experts dedicated to identifying, investigating and prosecuting offences against Australian critical information systems. They collaborate closely with system owners from the public and private sectors to protect the security and stability of Australia's burgeoning digital economy by proactively mitigating cyber threats and potential threats to critical systems.

As an active partner of the newly-established Cyber Security Operations Centre and CERT Australia, the AFP continues to implement intelligence-led policing methodologies to identify and mitigate cyber security events through enhanced intelligence-sharing opportunities and through the High Tech

Crime Investigations teams to provide the national law enforcement investigative capacity required by the Australian Government's Cyber Security Strategy.

In February 2010, the High Tech Crime Investigations team investigated the distributed denial-of-service attack by an issue-motivated group on targeted Australian Government websites such as **aph.gov.au**, **pm.gov.au**, **Australia.gov.au** and **minister.dbcde.gov.au**. As a result of the investigation an 18-year-old Melbourne male was arrested and charged with inciting others to impair electronic communications to a Commonwealth computer and possessing a device to unlawfully obtain personal financial information.

Joint Banking and Financial Sector Investigation

During 2009-10, the Joint Banking and Financial Sector Investigation team attended and delivered presentations at a number of significant forums in Australia and abroad to the financial sector and other enabling sectors. Presentations included high-tech crime matters impacting on the financial sector and factors that may impact on operating risks in the future.

The team also delivered a number of programs related to the E-Security National Agenda (ESNA 2 projects), including training and capacity building projects with the Jakarta Centre for Law Enforcement Cooperation in Indonesia in October 2009 and providing specialist support to the International Management of Serious Crime program conducted in China in November 2009.

Internet Policing

During 2009-10, High Tech Crime Investigations assumed responsibility for the Internet Policing team that provides critical support for investigations conducted by child protection operations, counter terrorism, money laundering, intellectual property and ACT Policing.



In August 2009, High Tech Crime Operations performed a disruption exercise on the r00t-y0u.org forum in the presence of the Australian ABC Four Corners program.

When there is a specific operational requirement, the Internet Policing Team has the legal means and technical ability to undertake covert activity on the Internet, for example by taking over the online identity of a person involved in the distribution of child abuse material or “becoming a friend” to people suspected of being involved in other criminal activity.

The team strives to operate at the forefront of global online social technology working closely with law enforcement agencies across the world and leading numerous proactive international operations. In 2009-10 the team also delivered training and presentations to national and international law enforcement partners such as the Jakarta Centre for Law Enforcement Cooperation.

Child Protection Operations

While combating transnational and online child sexual exploitation, the AFP has forged strong relationships with national and international law enforcement communities. Representative of these crucial strategic engagements are the Australia New Zealand Policing Advisory Agency, Child Protection Committee and the Virtual Global Taskforce, the National Manager of High Tech Crime Operations became the Chair in December 2009.

In collaboration with its international partners, the AFP, through Child Protection Operations, was able to focus on serious and organised crime in the online sexual exploitation of children during 2009-10, successfully identifying and charging numerous offenders for child sexual exploitation offences and for child sex tourism offences in accordance with the broader organisational direction.

Child Protection Operations was also responsible for managing and delivering the AFP's portion of the Australian Government's Cyber Safety initiative and was a crucial partner in the development and implementation of the Australian National Victim Image Library.

Based on the Child Exploitation Tracking System application, the Australian National Victim Image Library's primary objective is to more effectively and efficiently identify child victims and minimize investigator exposure to child exploitation materials. Pending final endorsement by the Ministerial Council for Police and Emergency Management-Police, CrimTrac will host the Australian National Victim Image Library and enable its web-based delivery to all Australian policing agencies.

Future Technologies

The Future Technologies team was established to create innovative information and communications technology solutions to support technology-enabled crime investigations.

The team conducted a review of current technology solutions used in High Tech Crime Operations during 2009-10 and continues to refine and strengthen them, drafting best-practice guidelines, refining administrative procedures, by developing customised hardware and providing new analytical software.

During 2009-10 the Future Technologies team also worked with Microsoft, the Queensland Police Service and CrimTrac to develop a business case for a national child protection project to help with the management of online child exploitation material and to improve opportunities to identify child victims and their abusers.

The business case for this latest weapon against online paedophilia received approval from the AFP's Senior Officers Group in May 2010 and was considered by the nation's police ministers at the Ministerial Council for Police and Emergency Management-Police in 2010.

High Tech Investigations Support

High Tech Investigations Support was established to help AFP investigators understand and prosecute crimes involving new or unique information communications technology.

Since its inception the team has successfully supported operations and developed capabilities for the following AFP portfolios: High Tech Crime Operations, Counter Terrorism, Intelligence, Serious and Organised Crime, International, Protection and

ACT Policing. Support has also been given to other State law enforcement and Federal government agencies.

High Tech Investigations Support also helped develop, and supported the delivery of, an educational program designed to increase the skill levels of investigators investigating online and technology-based criminal activity and established the annual High Tech Crime Conference that brings Commonwealth, State and Territory law enforcement agencies together with academic, technical and legal experts to resolve technology-crime challenges.

Enhanced Technical Surveillance

To support AFP investigations, High Tech Crime Operations is building the Enhanced Technical Surveillance System, a system that will offer compatibility with other key partner agencies and combine all surveillance device/telecommunications interception material.

A six-month evaluation of the system was completed during 2009-10 and it will be introduced into service, initially as a replacement Telephone Intercept System, in December 2010. High Tech Crime Operations is aiming to have the system fully operational by June 2011. The system will be developed to offer compatibility with other key partner agencies.

Crime Prevention

High Tech Crime Operations recognises that cyber safety and security is everybody's responsibility and as such has established a dedicated crime prevention team to develop and implement crime prevention strategies that raise awareness of online risks and empowers users to protect themselves against technology-enabled crime.

To ensure key cyber-safety messages reach the Australian community, the crime prevention team fosters relationships with government and non-government organisations, industry and community groups.

Significant achievements during 2009-10 include:

- attendance and booth displays at conferences and community events such as the Canberra Show, the Protective Behaviours Conference, the Asia-Pacific Conference on Child Abuse and Neglect, the National Centre Against Bullying Conference, the Privacy Conference, the Catholic Education Wellbeing Conference and the Unity Cup Family Day
- delivering more than 91 internet safety and security-awareness presentations to schools in the Australian Capital Territory and to regional New South Wales and Victorian schools to reach approximately 11,600 students
- delivering Protecting Your Reputation workshops to junior Tennis Australia players, to Toyota Cup National Rugby League players and to National Rugby League first-grade players
- attending Loddon Mallee Cyber Safety Project community seminars in Bendigo, Echuca, Swan Hill and Mildura and Principals Forums in Wagga Wagga and Griffith
- participating in more than 15 different events and activities during National Cyber-Security Awareness Week
- launching media releases with the Australian Bankers' Association and ABACUS—Australian Mutuals on safe online shopping and money mules
- facilitating a workshop on capacity building in the Asia-Pacific region to prevent child sexual exploitation through the internet at the Asia-Pacific Economic Cooperation TEL 41 held in Chinese Taipei.

Through key international partnerships, High Tech Crime Operations also launched the successful United Kingdom Child Exploitation and Online Protection Centre's cyber-safety program ThinkUKnow across Australia during Term 1, 2010.



In June 2010, the Australian Federal Police and Microsoft—with the support of ninemsn—launched the award-winning ThinkUKnow program in Victoria.

ThinkUKnow Australia is a partnership between Microsoft Australia, the AFP and ninemsn that delivered interactive presentations to parents, carers and teachers through primary and secondary schools to raise awareness of the issues facing youth online.

Business Delivery

Business Delivery supports the High Tech Crime Operations portfolio by providing a range of administrative, financial and human resource services and provides the Executive with strategic support, business planning, coordinating portfolio and cross-portfolio activities and reporting obligations.

Business Delivery is also responsible for the integration of SPOKES, for maintaining the High Tech Crime Operations intra-web portal, assisting with governance arrangements, engaging in AFP science and technology forums, coordinating Ministerial and other briefings and managing media interest.

High Tech Collection and Capabilities

Telecommunications Interception Division

The Telecommunications Interception Division supports AFP investigations by providing monitoring, record-keeping and report services in accordance with the *Telecommunications (Interception and Access) Act 1979*, and a record-keeping and report service in accordance with the *Surveillance Devices Act 2004*.

The Telecommunications Interception Division is also responsible for managing lawfully-intercepted product, the provision of evidentiary packages in support of AFP prosecutions and facilitating inspections by the Commonwealth Ombudsman's Office to ensure legislative compliance.

Technical Operations

Technical Operations consists of several teams located around Australia who conduct overt and covert technical operations for AFP national and international investigations, and ACT Policing by providing technical surveillance through audio, imagery data or tracking product, and providing equipment procurement and training and policy development.

Technical Operations also provides advice, training, equipment and capability development to the AFP's law enforcement partners in the Asia-Pacific region.

Physical Surveillance

The AFP has several physical surveillance teams located around Australia who provide professional, covert, physical surveillance in support of major investigations and criminal intelligence collection programs and technical and controlled operations.

In collaboration with Learning and Development, the teams also identify best-practice and develop members in the use of surveillance techniques.

Technical Capability Delivery

The three teams within Technical Capability Delivery support technical surveillance operations through telecommunications interception and surveillance devices legislation. This specialised work primarily supports Serious and Organised Crime, Counter Terrorism and Child Protection operations.

Radio and Electronic Support

Radio and Electronic Support manages the AFP's mobile radio communications and tracking systems and its digital record-of-interview systems in Australia and overseas. In particular, Radio and Electronic Support provides training and technical support to the AFP Operations Coordination Centre, the International Deployment Group and the Physical Surveillance teams.

The AFP is a full member of the Law Enforcement and Security Radio Spectrum Committee and provides technical advice to the Australian Government on the National Coordination Committee for Government Radio.

Significant Achievements

- **Operation Glatton** was an investigation into offenders using a popular peer-to-peer application. Peer-to-peer applications, in simple terms, allow direct electronic file-sharing and are a common way of transferring child sexual exploitation material. To date there have been 17 arrests.
- **Operation Ramillies** began with a referral from Europe to the AFP Child Protection unit that identified 1,768

unique Australia-based Internet Protocol addresses. To date, 726 suspects have been identified and are currently being referred to AFP investigation teams and State and Territory agencies.

- **Operation Whisk** involved distributed denial-of-service attacks on Australian government websites. This operation highlighted the ability of an issue-motivated group to exploit technology to attack from many fronts, including from offshore.
- **Operation Lacto** targeted a criminal network by utilising controlled operations legislation. Our Internet Policing team posed as “money mules” and returned intercepted funds to the rightful financial institutions
- The ThinkUKnow program received the Innovation Award from Secure Computing at the 2010 AusCERT Asia-Pacific Information Security Conference and High Tech Crime Operations has now received more than 200 expressions of interest from schools wanting to book a presentation.



The AFP's ThinkUKnow program was awarded the Secure Computing Magazine's Innovation Award in recognition of the fresh approach taken in keeping our children safe in the online environment.

Component 1.2.2: Forensic and Data Centres

Workload:

- 157 new cases
- 1,468 new support cases
- 88 finalised cases
- 1,343 finalised support cases
- 204 cases on hand at the close of 2009-10
- 1,714 support cases on hand at the close of 2009-10

Performance measures:

- external client satisfaction was 76 per cent
- internal client satisfaction was 85 per cent

Overview

In 2009-10 the Forensic and Data Centres portfolio made a significant contribution to AFP activities by providing specialist support to national operations, ACT Policing operations and to regional deployments, training and capacity-building projects with our regional partners.

The Forensic and Data Centres function is made up of:

- Forensic Operations, which includes:
 - » Chemical Criminalistics
 - » Biological Criminalistics
 - » Fingerprint Identification
 - » Firearm Identification and Ballistics
 - » Document Examination
 - » Crime Scene Sciences
 - » Computer Forensics
 - » Imaging
 - » Facial Recognition
 - » Audio and Visual

» Disaster Victim Identification.

- Data Centres, which includes:
 - » Australian Bomb Data Centre
 - » Australian Chemical, Biological, Radiological, Nuclear Data Centre
 - » Australian Illicit Drug Data Centre.
- Forensic and Data Centres Business Support which includes:
 - » Training
 - » Capacity Building
 - » Administration
 - » Quality Assurance
 - » Information Management
 - » Occupational Health and Safety.

Significant Activities

Forensic Operations

Computer Forensic capabilities achieved a national first in February 2010 when it became the first computer forensic environment to be granted accreditation by the National Association of Testing Authorities.

The accreditation process highlighted that AFP Computer Forensic laboratories not only met the standards required for accreditation, they also demonstrated innovation and international leadership in their field.

Forensic and Data Centres continues to foster the ongoing development of its personnel through post-graduate studies. Over the reporting period this included four Forensic and Data Centres staff undertaking BSc (Honours), Master of Arts and PhD programs.

Forensic and Data Centres continues its commitment to the development and support of external students through placements within Forensic and Data Centres. During the reporting period three

students from the Netherlands and several students from local tertiary institutions have been attached to several forensic disciplines within our laboratory.

As part of Forensic and Data Centres' Research and Development program, several Forensic and Data Centres personnel contributed to peer reviewed articles in technical journals and chapters in books relating to explosives investigation and paint examination.

During 2009-10 forensic DNA evidence was the focus of judicial and media scrutiny with controversies in Victoria in December 2009 following the release of the Vincent and Fraser reports and in May 2010 during the High Court of Australia appeal hearing in the matter of *Forbes v R* (ACT) that examined the reliability of convictions based on DNA evidence alone.

Forensic and Data Centres was involved in the response to each of these issues, providing operational support to the Victoria Police Forensic Services Department and advice to the ACT Director of Public Prosecutions in preparation for the Forbes appeal.

In June 2010, Forensic and Data Centres also hosted the Interpol DNA Monitoring Expert Group and the Interpol Australasian Regional DNA Symposium in Sydney that focused on forensic DNA technologies and data-sharing.

The Interpol DNA Monitoring Expert Group committee is convened by Interpol to develop the status of forensic DNA typing and database operations and contains members from Europe, South Africa, the United States, China, India, the Caribbean, England, the Middle East, Australia, Indonesia, Thailand, Iraq, Pakistan, Africa and the Philippines.

National Criminal Investigation DNA Database

Forensic and Data Centres also manages the AFP's interaction with the National Criminal Investigation Database which, as a result of ACT Policing's Serious Offender DNA Backcapture program, already has more than 440 samples submitted for processing and uploading to the National Criminal Investigation Database. To date, the samples have produced links to more than 200 crime-scene profiles being progressed by investigators.

During the reporting period the Forensic and Data Centres sponsored, along with counter-terrorism functions, the secondment to the AFP of a United Kingdom expert in forensic counter terrorism to increase the knowledge and expertise of investigators and personnel in the forensic investigation of terrorism events.

Forensic and Data Centres was also able to re-establish nationally and internationally the AFP's forensic surveying capability in the laser scanning of crime scenes.

Forensic and Data Centres also represented the AFP on the Commonwealth Crimes Act Part ID Review Committee examining the acquisition and use of forensic DNA samples and the operation of the National Criminal Investigation DNA Database. The committee made its report to the Australian Government on 30 June 2010.

Data Centres

The Data Centres are the Australian Bomb Data Centre, the Australian Chemical, Biological, Radiological and Nuclear Data Centre and the Australian Illicit Drug Data Centre.

The Data Centres collect, collate and analyse information and provide advice on their respective areas of expertise to the AFP and other law enforcement agencies and national security partners and also manage specific projects and programs that support national security or law enforcement outcomes.

During 2009-10 the Data Centres responded to 329 requests for information and issued 100 formal products.

Australian Bomb Data Centre

During the 2009-10 reporting year the Australian Bomb Data Centre received 139 requests for information, produced 45 formal assessment products, conducted operational deployments to support international partners' investigations of bombings and continued to support regional capability development with regard to technical exploitation of explosives-related information.

International training programs were also conducted in the region with 102 international students attending from five countries.

The Australian Bomb Data Centre continued to support the International Bomb Data Centre Working Group, hosting two Regional Bomb Data Centre Working Group meetings involving representatives from Thailand, Malaysia, Singapore, Indonesia, Brunei, the Philippines and Australia.



Australian Bomb Data Centre staff demonstrate the effect that explosives can have when they are detonated inside a vehicle.

During 2009-10, a South East Asian Bomb Data Centre Working Group meeting was conducted in Australia for the first time, allowing senior AFP officers to work with bomb data centre chiefs from across the region. The meeting was held in conjunction with the Australian Bomb Data Centre conference to allow working group delegates to attend. It attracted 260 delegates from Australian and 15 international jurisdictions.

The Australian Bomb Data Centre also provides support to whole-of-government research programs such as the Critical Infrastructure Protection Modelling and Analysis Program that provides research data on historical explosive incidents and the explosives-related research support for national security programs that include command and control and blast modelling for supporting first-responders.

In addition to supporting National Counter Terrorism Committee-sponsored courses and forums, the Australian Bomb Data Centre also sponsored and organised State police service and government agency representatives to form a focus group on the use of improvised explosive devices by outlaw motorcycle gangs.

Other domestic activities included the provision of Improvised Explosive Device recognition and booby trap courses to AFP operational units.

The Australian Bomb Data Centre also gave Power of Explosives demonstrations to relevant Commonwealth agency representatives throughout 2009-10. The Australian Attorney-General chose one of the demonstrations to launch the Chemicals of Security Concern Awareness Program attended by senior AFP and Attorney-General's Department officers and industry leaders.

Australian Chemical, Biological, Radiological and Nuclear Data Centre

The Australian Chemical, Biological, Radiological and Nuclear Data Centre received 45 requests for information during the reporting period, produced 35 formal products and supported the Counter Terrorism Investigators Workshop and the Western Australian Chemical, Biological and Radiological Management Course.

The Australian Chemical, Biological, Radiological and Nuclear Data Centre also connected with State and Territory chemical, biological and radiological committees during the reporting period through regular road-shows with professional groups such as the Chemical Warfare Agents Laboratory Network and the Public Health Laboratory Network.

The Centre continued to support the Department of Health and Ageing's Security Sensitive Biological Agents Regulatory Scheme through its membership of the Implementation Advisory Committee and by delivering briefs to the Department.



Through the Data Centres the AFP can provide support to other law enforcement agencies and national security partners.

The Australian Chemical, Biological, Radiological and Nuclear Data Centre was a member of the National Government Advisory Group on Chemicals of Security Concern and the National Industry Reference Group during 2009-10, providing technical input to the chemical security risk assessments of several explosive precursors for the Australian Attorney-General's Department and assisting the Australian Radiation Protection and Nuclear Safety Agency and the Implementation Advisory Committee with the security regulations for radiological sources.

The Centre is also a member of Interpol's Bioterrorism Expert Group, provides support for the train-the-trainer modules for combating bioterrorism held in the United Arab Emirates and New Zealand during 2009-10 and provides the Australian head-of-delegation for the law enforcement group dealing with chemical, biological and radiological investigative issues that met in London in June 2010.

To improve chemical, biological and radiological security in the region the Centre also organised a two-day information session during the South East Asia Bomb Data Centre Working Group held in Malaysia in May 2010. Chemical, Biological and Radiological awareness training was provided to the Indonesian

National Police and the Pakistan Police at the Jakarta Centre for Law Enforcement Cooperation in Indonesia.

The Australian Chemical, Biological, Radiological and Nuclear Data Centre was also engaged in several collaborative projects with the United States Technical Support Working Group and the Department of Homeland Security during 2009-10, organising a presentation on the Amerithrax investigation by the American Federal Bureau of Investigation at Barton College in September 2009.

Australian Illicit Drug Data Centre

The Australian Illicit Drug Data Centre was formally launched on 18 February 2010 to incorporate the functions of Forensic Drug Support, the Joint Drug Intelligence team, the Australian Illicit Drug Intelligence Program and two new projects funded through the *Proceeds of Crime Act 2002*.

The first of the projects funded under the *Proceeds of Crime Act 2002* was the Enhanced National Intelligence Picture on Illicit Drugs which, together with in-kind support from the AFP, the National Measurement Institute and other organisations, allows for the profiling of 500 samples of heroin, 500 samples of methylamphetamine and 500 samples of 3,4-methylenedioxymethylamphetamine (MDMA or ecstasy) per annum from domestic jurisdictions.

The scientific methodology employed in the Enhanced National Intelligence Picture on Illicit Drugs project was developed under the Australian Illicit Drug Intelligence Program with assistance from international partners and has been routinely applied to border seizures investigated by the

AFP for a number of years. There is still, however, an intelligence gap in the overall national picture, particularly in respect to materials that successfully pass existing border controls and those produced in domestic clandestine laboratories.

The Enhanced National Intelligence Picture on Illicit Drugs project is a significant expansion of Australia's drug-profiling capacity and will develop a scientific basis for monitoring the geographic regions or production methods and precursors used to supply the Australian illicit drug market.

The second project funded under the *Proceeds of Crime Act 2002* is the National Drug Precursor Risk Assessment Capability that will develop a formal risk assessment methodology for precursor chemicals that have been identified by the Commonwealth Precursor Working Group.

This will inform scientific forensic drug intelligence, including the profiling data obtained through the Australian Illicit Drug Intelligence Program and the Enhanced National Intelligence Picture on Illicit Drugs project, and the development and evaluation of drug enforcement policies.

The Australian Illicit Drug Data Centre manages the formal relationship that exists with the National Measurement Institute who provide routine sample analysis to support investigations and prosecution.

Between 1 July 2009 and 30 June 2010 a total of 2,216 samples were submitted for analysis which, on a pro-rata basis, is closely in line with the estimated annual quota of 2,200.

Table E: Number of samples submitted and their primary substance

Number of Samples	Drug Type
292	heroin
265	cocaine
167	methylamphetamine
122	4-methylmethcathinone (4-MMC)
96	pseudoephedrine
58	cannabis
40	nicotine
30	3,4-methylenedioxymethcathinone (3,4-MDMC)
20	phenylpropanolamine
15	3,4-methylenedioxymethylamphetamine (MDMA)

The appearance of 4-methylmethcathinone (4-MMC, or “miao”) and 3,4-methylenedioxymethcathinone (3,4-MDMC) in AFP seizures was noteworthy and detections of 4-MMC were reported widely in the Australian and international media.

These and other illicit drug analogues (often referred to as “designer drugs”) required significant additional analytical work by the National Measurement Institute as well as technical support from Australian Illicit Drug Data Centre personnel to help the crime-scene teams test for new substances.

The analytical work performed by the National Measurement Institute included producing and certifying corresponding reference materials to enable formal identification and quantitation of the samples, and while the initial process of producing these certified reference materials was lengthy, they will enable the rapid detection and identification of these new drugs in future casework and during the preliminary identification work carried out by forensic crime-scene members.

In addition to providing operational support to AFP Crime Scene Sciences, to investigators and to the Intelligence and Policy areas during 2009-10, Australian Illicit Drug Data Centre members also responded to 145 requests for information and produced approximately 20 information sheets on novel and/or high-interest compounds, on comparison of logos and on concealment methods and assisted with various technical matters.

During the reporting period the Centre also continued to develop a database to improve sharing of technical intelligence and continued its pilot project with the AFP’s Sydney Office Parcel Post team and with the Australian Customs and Border Protection Service to capture forensic data from parcel-post seizures.

Information so far has been valuable in identifying novel drug types and shows potential for informing operations such as the AFP’s **Operation Novo** conducted in early 2010.

Forensic and Data Centres Business Support

Forensic and Data Centres Business Support is made up of the following areas.

Chief Scientist is responsible for developing new technology and processes, enhancing skills and knowledge through in-house capability development programs and engaging in collaborative external projects with other government departments and academia.

Of particular note for this support group in 2009-10 was the development of closer ties with the Commonwealth Scientific Industrial Research Organisation, Geoscience Australia and the Australian Institute of Criminology. One of these partnerships has attracted a grant to support research relating to firearms and serious crime.

The Chief Scientist represents Forensic and Data Centres in several key forums, including:

- the National Science and Innovation Steering Committee
- the Biometrics Interoperability Working Group (Australian Attorney-General's Department)
- various Australian Research Council Grant committees.

Quality Assurance monitors and reports against the portfolio's accreditation requirements and facilitates the National Association of Testing Authorities accreditation process.

Forensic and Data Centres has maintained its accreditation status during this reporting period.

Projects manages and coordinates the off-shore new policy initiatives allocated to Forensic and Data Centres.

The deliverables against these initiatives and for previous initiatives for the 2009-10 reporting period were:

Thailand

- Forensic discipline training and equipment was delivered to the Royal Thai Police Forensic Sciences Department under the Department of Foreign Affairs and Trade-led Regional Counter Terrorism Capacity Building initiative.
- Scholarships were provided for six Royal Thai Police forensic officers and Central Institute of Forensic Sciences personnel to undertake a Masters in Forensic Science at the Mahidol University.

Indonesia

- Forensic and Data Centres has a continued commitment to the Thailand project.
- Mentoring of scientists from the Indonesian National Police DNA Laboratory.
- Forensic training programs delivered to regional law enforcement officers in the Jakarta Centre for law Enforcement Cooperation.
- Crime scene photography training program delivered in partnership with the United States Department of State.

Iraq

- Forensic training in crime scene examination and forensic biology delivered to 47 Iraqi forensic officers. This brings to a total of 115 Iraqi police officers trained in forensic science disciplines over the past 24 months.
- Through the Australian Institute of Police Management, leadership training for 30 Iraqi police officers. This brings to a total of 45 Iraqi police officers trained in leadership over the past 24 months.

- Provision of equipment to the Iraqi Police Forensic Service.

Africa

- Participated in the African Pathologists Forum in Botswana that hosted international and African representatives involved in the International Criminal Court and the International Committee of the Red Cross.
- Provision of laboratory and crime scene equipment to eight African law enforcement forensic departments.

Pakistan

- Delivered a forensic training program in chemical, biological, radiological and nuclear awareness to 20 Pakistani police officers at the Jakarta Centre for Law Enforcement Cooperation and computer forensic training to 18 Pakistani police officers.

General

Forensic and technical intelligence training was also delivered in:

- post-blast investigation
- post-blast incident management
- fingerprints
- biological Criminalistics
- chemical Criminalistics
- data centre management
- fire scene investigation
- chemical, biological, radiological and nuclear awareness
- forensic incident management
- electronic evidence investigation and analysis
- ballistics identification and analysis training
- laboratory management
- disaster victim identification.

Development of Pakistan law enforcement forensic capability will continue over the next three years.

Significant Domestic Operations

Forensic and Data Centres specialists applied their expertise to many domestic investigations during 2009-10. Significant matters included a counter-terrorism investigation into a local group belonging to an international terrorist organisation alleged to have been preparing for domestic and international acts of terrorism.

Extensive operational planning was required over approximately four months to coordinate the multi-jurisdictional forensic response from eight forensic teams comprised of AFP and Victoria Police Crime Scene and Fingerprint members. Part of Forensic and Data Centre's involvement included examining over a period of three days multiple, simultaneously-secured scenes.



Forensic and Data Centre specialists applied their expertise to many domestic and international investigations during 2009-10.

The conclusion of Australia's longest-running terrorism trial came in the 2009-10 reporting period. In addition to four earlier guilty pleas, the investigation resulted in the successful conviction of five defendants and some 3.2 terabytes of data being acquired from 1,500 separate items of electronic equipment that had been seized and subsequently examined

by computer forensic personnel. The evidence provided by computer forensic members on 15 separate occasions during the trial proved significant to the result.

A joint AFP and Western Australia Police investigation into the illicit drug importation and trafficking of approximately 40 kilograms of MDMA powder established that the MDMA had been imported into the eastern States of Australia from Montenegro and then transported to Western Australia by an organised crime group that had relocated to Western Australia to organise the manufacture and distribution of the tablets.

Forensic involvement included the examination, reconstruction and substitution of the MDMA in preparation for controlled operations and attending the resulting searches. A functional tablet press was examined and seized as a result of this investigation.

Extensive forensic support was also provided to an investigation targeting the illicit drug importation of approximately 80 kilograms of dimethyl-amphetamine into Australia concealed inside boxes of gloves and an investigation into two Australian citizens believed to be senior figures in a global online paedophile community. Computer forensic personnel's significant assistance to the latter investigation resulted in guilty pleas from both offenders to a range of sexual assault and child pornography offences.

Other highlights during the reporting period included:

- the examination of items in relation to anti-whaling protests in the southern oceans
- extensive multi-disciplinary forensic examinations into several major crimes that had occurred in the Australian Capital Territory, including murder
- forensic examinations of several serious offences against individuals in the Australian Capital Territory, including assault and sexual assault
- assisting with the investigation into the grounding of the Shen Neng 1 on Douglas Shoal in the Great Barrier Reef.

Significant International Operations

Forensic and Data Centres specialists lent their expertise during 2009-10 to help several neighbouring countries examine and understand criminal activities occurring in their jurisdictions and provided disaster victim identification operations after the Jakarta Hotel bombings, the Kokoda air crash and the Samoan tsunami.

They also examined and compared the firearm cartridge cases and bullets related to the attempted assassination of Timor-Leste President Ramos Horta and provided advice on bullet fragments recovered from a deceased Australian mine contractor in West Papua.

Forensic and Data Centres also examined hair samples for the Special Tribunal for Lebanon in its investigation into the assassination of former Prime Minister Hariri, conducted explosive residue analysis on swabs and shrapnel collected from Australian Defence Force personnel killed in Afghanistan, provided a forensic drug chemist capability to assist major drug precursor (Safrole oil) destructions in Cambodia and assisted with investigations into various bombings in the region.

Computer forensic personnel also gave extensive assistance to an online child protection investigation that began (in Australia) in February 2009 after the AFP received a request from Interpol to enquire into a person of interest at an address in Australia.

As a result of Computer Forensic assistance to AFP investigations, a child was identified and located who had been exploited on the internet for a period of nearly 10 years. Based on information provided by the AFP Computer Forensic Team, police in the child's jurisdiction were able to take action against the child's exploiters. The offenders were found guilty of a range of offences associated with child pornography.

Component 1.2.3: Intelligence

Workload:

- 241 new cases
- 422 new support cases
- 167 finalised cases
- 206 finalised support cases
- 531 cases active at 30 June 2010
- 928 support cases active at 30 June 2010

Performance measures:

- external client satisfaction was 85 per cent
- internal client satisfaction was 73 per cent

Overview

The key focus for intelligence in 2009-10 was to improve alignment between intelligence and other AFP functions and to improve management of Office intelligence efforts to better meet whole-of-AFP priorities. During the reporting period the majority of intelligence resources were deployed to operational teams to assist with operational and tactical intelligence priorities.

The intelligence function also continued to effectively manage its external relationships with other government departments, the national intelligence community, its international counterparts and other State and Territory law enforcement agencies, and placed particular emphasis on effective participation in the new whole-of-government National Intelligence Coordination Committee.

Intelligence also continued to deliver the AFP's undercover services, resulting in successful operations in Australia and overseas.

Key Initiatives and Significant Outputs

In 2009-10 intelligence produced a significant number of outputs to provide a rate of effort for tactical intelligence (80 per cent), operational intelligence (15 per cent) and strategic intelligence (5 per cent), in line with changed operational priorities.

Key government and organisational performance measures for AFP intelligence this financial year related to service delivery and client satisfaction and many activities undertaken in 2009-10 promoted the enhancement of mutually beneficial relationships.

Aviation Intelligence was involved in enhancing cooperative intelligence-sharing through the AFP-chaired Airport Intelligence Joint Working Group, which continues to improve relationships between government stakeholders on aviation intelligence matters.

During the reporting period the Airport Intelligence Joint Working Group also began developing a vulnerabilities register to reduce the duplication of intelligence product created by agencies.

National Target Evaluation continued to produce operational target intelligence, deliver specialist criminal intelligence advice on matters of interest and continued to develop the Target Enforcement Prioritisation Index and the ensuing first Top Ten list.

National Target Evaluation also supported the AFP's State Offices and domestic

partner agencies, the AFP International Network and our international partners on various matters including drug trafficking, fraud, money laundering and transnational organised crime and participated in a multi-disciplinary exercise to examine the flow of cocaine westwards across the Pacific by small craft.

Counter-Terrorism Intelligence provided high-quality intelligence support to domestic and international counter terrorism operations through analysis and the timely dissemination of intelligence products.

The business unit also maintained and forged mutually beneficial relationships with AFP clients and partner agencies, identified significant convergences of individuals, groups and regional areas associated with terrorist activities and provided high-value briefings to the AFP Executive regarding current and emerging counter terrorism issues.

Support provided by **Protection Intelligence** to Protection Operations contributed to the overall success of a number of significant events during 2009-10, including the Pacific Islands Forum and the Joint Defence exercise Talisman Sabre. Protection Intelligence was also heavily involved in the strategic planning of several proposed high-level visits that were deemed crucial to Australian bilateral relations.

Through Border Protection Command, the **Headquarters Tactical Intelligence Support** team added to the integrated whole-of-government response to people smuggling during 2009-10 by providing tactical intelligence on people smuggling activities to Christmas Island and in Indonesia.

Outputs in 2009-10 included coordinating more than 57 overseas liaison

communication tasks from International posts, disseminating 398 intelligence products, exchanging 193 information reports with partner agencies and considering more than 635 referrals from child protection operations.

Under the auspices of the National Intelligence Coordination Committee and other whole-of-government frameworks, **International Deployment Group Intelligence** strengthened its engagement and interoperability with Defence and Intelligence partners during 2009-10 and established and enhanced existing intelligence capabilities in support of several missions.

Members of International Deployment Group Intelligence were also deployed to Christmas Island, Samoa and the Solomon Islands during the reporting period to assist with a variety of crucial intelligence assessments and priority tasks.

The **Leadership in Criminal Intelligence Program** continued to facilitate and contribute to the development of best-practice in the national and international law enforcement environments. The Program initiated an analysts' network forum to increase communication and sharing between agencies and also facilitated the Intelligence Management Development Program.

The leadership in Criminal Intelligence Program also conducted an international colloquium on Terrorist Financing in South East Asia during the year whose primary focus was to identify activity across the region and identify and develop potential mitigation strategies.

Strategic Intelligence Services played a key role in the intelligence portfolio during 2009-10, informing and supporting broader AFP decision-making and resource prioritisation through the annual Strategic

Intelligence Assessment and other timely strategic products.

To assess the current criminal environment and make predictions about future criminal trends, analysts in **Strategic Crime Assessments** synthesised material from across the AFP's functional streams and drew on reports from the International Network and Offices and information from partner agencies.

Strategic Crime Assessments also supported operational client area needs and made significant analytical contributions to Project Wickenby.

The **National Intelligence Coordination Committee Coordination** team was established during 2009 following the creation of the National Intelligence Coordination Committee in late 2008.

The Committee is made up of a number of Australian agencies, including the AFP, and is responsible for increasing the level of intelligence that is collected and shared on national security priorities. To ensure the AFP meets its obligations under the new national security framework the team was placed in the Strategic Intelligence Services function to oversee the management and coordination of intelligence projects and the development of intelligence products.

Intelligence Executive Services and Planning continued to effectively coordinate and oversee intelligence business planning, reporting, risk management and performance processes, intelligence governance issues, the intelligence organisational structure (including strategic workforce planning) and the intelligence budget process.

Local Office Intelligence teams are placed within AFP Offices nationally to provide operational and tactical intelligence support in the areas of transnational

sexual exploitation and trafficking, money laundering, economic and special operations, child protection operations, drugs, counter-terrorism, people smuggling, human source management and protection.

Notable outputs during 2009-10 were:

Sydney Office

- provided intelligence support to **Operation Labyrinth** to locate war criminal Captain Dragan/Vasiljkovic/ Daniel Snedden
- provided intelligence advice over a four-month period that directly contributed to the arrest of three people for importing approximately six kilograms of cocaine concealed in wheel rims into Australia from Canada
- helped develop and provided tactical support to **Operation Meranti**, a major investigation into organised crime in the Balkans.

Brisbane Office

- began **Operation Baleshare** and then provided tactical support to Crime Operations which resulted in the arrest of an American national and the seizure of 3.5 kilograms of cocaine in Sydney
- provided tactical support to major counter-terrorism operations undertaken by Brisbane Office
- co-located members of intelligence to support slavery and human trafficking and child protection investigations.

Melbourne Office

- provided ongoing support to various Australian Customs and Border Protection projects
- operated a Joint Intelligence Group for **Operation Neath** that led to the successful resolution of the operation and set a benchmark for Joint Intelligence Groups in Australia

- contributed an ongoing intelligence role to people smuggling operations on Christmas Island
- provided tactical support to major drug, fraud, money laundering and corruption investigations in Australia and overseas.

AFP Operations Coordination Centre

AFP Operations Coordination Centre provides centralised monitoring, initial response coordination and communications services to the AFP, including primary point of contact for members of the public. The Centre has dual roles: to provide close operations support to Operational and Intelligence teams across the AFP, and to provide a range of coordinating services for the broader organisation.

The AFP Operations Coordination Centre has dedicated contact arrangements to facilitate information and intelligence flows internally and externally, coordinates the AFP's initial response to emerging incidents, liaises directly with other government and law enforcement crisis and operations centres in the event of an incident or investigation and may activate an Incident Coordination Centre to ensure an effective whole-of-government response.



The AFP Operations Coordination Centre provides centralised monitoring and communications services to the wider AFP.

The AFP Operations Coordination Centre also has responsibility for reporting and providing briefings on the status of AFP activities internally and externally.

The Centre's business is managed through five business lines and supported by a group of Duty Officers.

Duty Officers

Duty Officers are sworn members with contemporary operational experience with the rank of Superintendent who provide advice and support to functional teams through the AFP Operations Coordination Centre.

They ensure the AFP achieves results in a timely and effective manner by facilitating the AFP's initial response to emerging incidents and provides executive briefings on these and other events that may require an AFP or whole-of-government response.

Duty Officers also monitor other operational activities for the AFP including significant entries in PROMIS, international inquiries, Passenger Analysis Clearance Evaluation alert activations, Australian National Child Offender Register alert activations and communications for the Aviation and Protection portfolios.

Investigations Support Service

The Investigations Support Service receives and evaluates investigation referrals from client agencies, partners and members of the public and provides direct support to the Canberra Operations Committee and the AFP's National Operations Committee.

The Investigations Support Service also disseminates AFP and external agency intelligence products to internal and external clients, provides specialised advice internally on controlled operations, passport cancellations and import and export permits, registrar services to special projects, and manages the AFP's responsibilities during Ombudsman inspections of controlled operations records. It also provides internal business support services to the AFP Operations Coordination Centre.

National Business Systems

National Business Systems manages access to PROMIS and external agency systems and is a key contributor to PROMIS and Computer Aided Dispatch technical support, system administration, and development, audit and data integrity in conjunction with other AFP teams.

National Business Systems also promoted consistency and best-practice for recording information in AFP operational systems,

Table F: Key communications and central monitoring support services

Incident dispatches to Airport Uniform Police and Counter Terrorist First Response at the 11 major airports	20,369
Total calls received at the call centre on dedicated lines:	
131 AFP (131 237)	81,842
1300 AFPOPS (1300 237 677)	
Interpol and the National Security Hotlines	
Total alarms activated and responses managed by Central Monitoring Support personnel	80,699
Alarms activated of significance to the Commonwealth	56,613
Commercial alarm activations	24,086

provided advanced training, governance and external agency agreements for systems access, and provided reporting, analysis and monitoring, including reporting on business activities, incidents and events and performance benchmarks, to support decision-making by the AFP's National Operations Committee and Senior Executive.

It is also responsible for the research, development and implementation of projects and mechanisms that enhance the capability of the AFP Operations Coordination Centre.

Property and Exhibits Management

Property and Exhibits Management plays a key role in the development, implementation, training, auditing and compliance-management of organisational policies, procedures and guidelines for the handling of property and exhibits. The National Coordinator Property and Exhibits liaises with external agencies to ensure best-practice by providing guidance, assistance and training and, as part of the audit regime, also coordinates property audits in other portfolios.

Response Communications

Response Communications provides a 24-hour seven-days-a-week centralised monitoring, coordination and communication support role for all functions within Outcome 1, in particular to the Aviation and Protection portfolios, and also facilitates government database, criminal intelligence holdings and telecommunications subscriber information requests on behalf of Outcome 1.

Response Communications recently moved to the purpose-built Watchfloor in Barton that provides up-to-date technologies and a significantly enhanced Incident Coordination Centre capability. An alternate location also exists to ensure a more robust

business continuity plan in support of the AFP Operations Coordination Centre response teams.

Response Operations

Response Operations consists of an Alerts Response team, an Information Processing team and a Response Operations team.

The Alerts Response team is responsible for the receipt and management of alert requests from AFP operational areas, State and Territory police and government departments, including family law and bankruptcy, and played a crucial role in informing the Customs and Border Protection Enhanced Passenger Assessment and Clearance Core Design team during the development of new and improved processes for alerts management.

Information Processing is also responsible for processing National Security Hotline reports, Outcome 1 Information Report registrations, processing External Agency Information Reports and for processing written public enquiries. In 2009-10, the team dealt with 24,783 National Security Hotline Reports and 5,008 Information Reports.

Information Processing also processes and disseminates External Agency Information reports from the Australian Crime Commission, the Australian Customs and Border Protection Service, the Department of Immigration and Citizenship, State and Territory police forces and international law enforcement agencies.

Response Operations is primarily responsible for the receipt, registration and initial management of Family Law Recovery Orders and Family Law Arrest Warrants issued under the *Family Law Act 1975*. In 2009-10 the Operations Support Team received 482 orders and warrants.

The team is also the primary contact point for the Australian National Central Bureau of Interpol and supports all Interpol enquiries to and from Australia. 28,990 Interpol communications were actioned by the bureau in 2009-10.

Significant Achievements

- Coordinated the AFP's initial response and supported AFP portfolios by providing briefings and liaising with other government agencies after the Sumatran and Samoan earthquakes and the Samoan tsunami.
- Coordinated receipt and the dissemination of information between the AFP and external agencies and, internally, on an attempted bombing of a Northwest Airlines flight and the bombings in the Moscow subway.
- Activated the Incident Coordination Centre in Indonesia in response to bombings in two Jakarta hotels.
- Established centralised contact arrangements with the Australian Attorney-General's Department to facilitate foreign requests for mutual assistance to Australia and AFP requests for mutual assistance to foreign countries.
- Implemented improved Operational and Intelligence reporting to the AFP's Senior Executive and managers.
- Managed the AFP Operations Coordination Centre's requirements for the move to the new AFP headquarters. This included reviewing practices in preparation for new and enhanced capabilities being delivered through the purpose-built Top Secret facilities and to regional offices and the roll-out of the AFP Secret Network and the AFP Top Secret Network.
- Expanded close operational support services to the AFP's International Network and Protection portfolios which resulted in improved 24-hour support, operational leadership, information access, monitoring and situational awareness.
- Conducted a communications strategy to increase awareness and usage of AFP Operations Coordination Centre services through comprehensive information being launched about the Centre on the internal intranet site and developing a products and services catalogue detailing each service provided by them and to whom the service is provided and how it can be accessed.

Table G: Alerts Response Team alerts

Australian National Child Offender Register	1,998
Family Law	2,429
Other	4,125
Total Passenger Analysis Clearance Evaluation	8,552

Program 1.3: Protection Services

Workload

- During the 2009-10 financial year Protection Services supported Australian and non-Australian office holders in 12,130 movements
- Performance for this output is measured by the prevention of avoidable incidents, the level of client satisfaction and the cost-effectiveness of service delivery as defined in the performance measures

Performance Measures

- 100 per cent of Close Personal Protection resources were directed to high and very high impact cases
- there were five avoidable incidents during 2009-10, which represents a rate of 0.4 per 1,000 movements. This result is considered acceptable for operations of this type, the target of which is five or less avoidable incidents per 1,000 movements
- client satisfaction was 81 per cent
- all Memorandum of Understanding-specified outcomes at Uniform Protection operational stations were achieved or exceeded

Overview

In partnership with other Commonwealth, State and Territory agencies, Protection Services protects Commonwealth interests in Australia and overseas from acts of terrorism, violent protest and issue-motivated violence and helps maintain the security of individuals and interests identified by the Commonwealth as being at risk.

Protection Services

Protection Services provides close personal protection for high and very high impact cases, administers the National Witness Protection Program that provides safe and secure environments for those who give evidence in criminal trials against organised crime, plans and coordinates special events of national interest with the AFP's strategic partners and, through Uniform Protection, provides safe and secure environments for Commonwealth establishments in Australia and overseas and also for Australian high-office holders, internationally-protected persons and the diplomatic community living in Australia, including visiting dignitaries.

Close Personal Protection

The delivery of close personal protection is informed by security threat assessments, Visit Assessment Group ratings, proactive protective security intelligence and other sources.

In 2009-10, Close Personal Protection provided the following services:

- security packages for eight full-time principals and for other principals on a risk-based and as-needed basis
- protection for the Prime Minister during 10 international visits
- protection for Governor-General Quentin Bryce during three international visits
- in conjunction with the Security Coordination Branch of the Australian Attorney-General's Department, the Department of Foreign Affairs and Trade, the Department of Veterans' Affairs, the Department of Prime Minister and Cabinet and New Zealand Police, provided special-events planning personnel as part of a whole-of-government approach to Anzac Day commemorations in Turkey and France

- a Close Personal Protection Security Liaison Officer in Indonesia to liaise with the Indonesian National Police and to negotiate protective security arrangements for the Australian Ambassador's program and for protecting Australian high-office holders visiting that country
- Security Liaison Officer assistance to 26 domestic visits by guests of Government, Defence, Intelligence and the AFP
- Security Liaison Officer assistance and support to foreign law enforcement authorities during 39 visits by Australian high-office holders and delegations overseas.



The AFP provides close personal protection to high and very high office holders, internationally-protected persons and visiting dignitaries.

Significant Events

Close Personal Protection was involved in planning and management of several significant events during 2009-10, providing security packages for:

- leaders from New Zealand, Hungary, Macedonia, Bulgaria, Tibet, Botswana and Indonesia
- His Royal Highness Prince William during a visit to Australia
- the Pacific Islands Forum in Cairns.

National Witness Protection Program

The National Witness Protection Program provides protection and assistance to witnesses identified as being at risk because of assistance they have given to police and other law enforcement agencies in significant criminal prosecutions.

Amendments in February 2010 to the *Witness Protection Act 1994* by the *Crimes Legislation Amendment (Serious and Organised Crime) Act (No. 2) 2010* improved a witness's protection and security and ensured the eventual reintegration of them and their families back into the community.

The whole-of-government implications associated with the relocation of protected witnesses continued to be a focal point for the National Witness Protection Program. By engaging with other local and international law enforcement agencies, the National Witness Protection Program maintained best-practice and shared knowledge and experience gained from these engagements with other Australian jurisdictions through the Australian New Zealand Policing Advisory Agency.

Under the *Witness Protection Act 1994* the Minister for Home Affairs is required to table an annual report on the witness protection program in both Houses of Parliament at the end of each financial year. All AFP annual reports are accessible on the AFP website www.afp.gov.au.

Uniform Protection

The AFP provides a range of government-appropriated and client-funded protective security services through Uniform Protection to diplomatic and consular missions, official establishments considered to be at risk such as Parliament House, The Lodge, Government House, Kirribilli House and Admiralty House, nominated Australian Defence Force sites and to the Australian Nuclear Science and Technology Organisation.

Parliament House

Uniform Protection provides an armed patrol and response capability to the external precinct of Parliament House to ensure the integrity of the building and to provide a safe and secure environment for the Parliamentary process to occur. In the event of a serious incident in or around Parliament House, Uniform Protection Officers would provide the initial armed response.



Uniform Protection provides an armed patrol and response capability to the external precinct of Australia's Parliament House.

Uniform Protection also provides a command and control response to a variety of other situations that might occur in the Parliamentary precinct, ranging from demonstrations to ceremonial visits.

The most notable activities during 2009-10 were:

- providing protective security for the ceremonial visits of the Prime Minister of the former Yugoslav Republic of Macedonia and the Prime Minister of New Zealand
- controlling a Farmers Federation demonstration of 1,500 persons
- removing 101 persons aligned to environmentalist groups who were conducting a "sit-in" at the front of Parliament House and blocking access and egress
- the operational planning and organisation for the proposed visit to Parliament House by the President of the United States.

Department of Foreign Affairs and Trade

Uniform Protection also delivers a range of services to meet specific client needs at three Department of Foreign Affairs and Trade establishments.

They are the RG Casey building in Canberra, the Australian Embassy in Jakarta, Indonesia and the Australian High Commission in Port Moresby, Papua New Guinea.

Significant Issues

Services to the RG Casey building will be discontinued from the beginning of the 2010-11 financial year due to the changing business needs of the client. Personnel currently performing protection duties at the building will be redeployed across the remaining Protection business areas.

Uniform Protection was also bolstered in Jakarta during 2009-10 with an additional Senior Protective Service Officer position.

Defence Establishments

Uniform Protection delivers services to meet client needs at a number of regional Defence establishments, the Headquarters Joint Operation Command at Bungendore in New South Wales, the Russell Offices in the Australian Capital Territory, at Woomera in South Australia, at Pine Gap in the Northern Territory, and at Exmouth and Geraldton in Western Australia.

Significant Issues

During 2009–10 the Defence Support Group assumed responsibility for managing the current Memorandum of Understanding between the AFP and Defence for the provision of AFP Protective Services at Defence sites across Australia. Site visits were undertaken during the reporting period as part of due diligence ahead of this transition from Defence Security Authority.

Diplomatic Protection and Official Establishments

Diplomatic Protection and Official Establishments provide security for foreign missions in Australia.

Diplomatic Protection Units are located in the Australian Capital Territory, New South Wales, Victoria and Western Australia. They provide mobile and foot patrols, alarm response and incident response to all diplomatic and consular missions and residences within their areas of responsibility.



Diplomatic Protection units provide alarm and incident response to all of Australia's' diplomatic and consular missions and residences.

Significant Issues

Official Establishments host around Australia a number of private and public functions each year that continually attract more than 20,000 people. These events require meticulous planning and significant resources to maintain the security and integrity of the critical infrastructure where the events are conducted.

Business Management

Business Management provides strategic advice to internal and external stakeholders on the delivery of the Commonwealth's protective security policies and measures and supports the Protection executive team through:

- performance reporting, to enable regular monitoring, strategic and operational planning and forecasting of required resources for the Protection portfolio
- coordination of compliance and other high-level correspondence and reports, including Ministerial liaison
- oversight and administration of Protection business continuity plans and risk management and governance instruments
- management of Memoranda of Understanding covering Protection Services

- coordination of the Protection Quarterly Compliance Report
- administration of the Protection and Aviation Transfer Committee
- provision of secretariat services to a number of committees and internal forums
- management of Protection assets
- facilitating special projects for National Manager Protection.

Significant Achievements

- Contributing to Protection's risk and fraud planning through the coordination of business continuity plans, including six-monthly testing of the plans to ensure operational readiness and consistency.
- Fraud control and anti-corruption plans reviewed and updated for each function of Protection.
- Enhanced reporting detailing operational activity undertaken by Uniform Protection provided to stakeholders/clients and Protection Management.

Program 1.4: International Deployment Services

Workload:

- 1,578,571 resource hours were delivered in 2009-10
- 81 per cent of resources were allocated to missions and 19 per cent were used for support

Performance measures:

- 98 per cent of resources were directed to high and very high impact cases
- client satisfaction (Australian) was 85 per cent and (International) was 82 per cent

- supporting police capacity development throughout the Pacific and in Timor-Leste and Cambodia
- contributing to the Northern Territory Emergency Response
- and also maintains a specialist tactical policing capability and provides policing services to Australia's external territories.

The International Deployment Group comprises four functions: Operations and Missions, the Australian Peace and Stability Operations Centre, Design and Evaluation, and Operations Support (including the Operational Response Group).

Collectively, these functions provide:

- a standing capacity of sworn and unsworn personnel deployed to, or ready to deploy to, missions and operations as required
- strategic advice to the Executive, as well as corporate support for International Deployment Group business
- analytical, evaluative, administrative, intelligence, logistics and technical support for deployed personnel
- a ready-response tactical policing capability for rapid deployment to unstable domestic and international operational situations.

In addition to Program 1.4: International Deployment Services, the International Deployment Group also delivers three of four Administered Items against Output 1.6: International Police Development. Performance against these items, namely the Timor-Leste Police Development Program, the Pacific Police Development Program and the Regional Assistance Mission to Solomon Islands, is outlined at Program 1.6.

Overview

The International Deployment Group was established in 2004 to provide the Australian Government with a standing capacity to deploy Australian police internationally and domestically in support of stability and capacity development operations. Since its inception, the International Deployment Group has assisted the Australian Government to achieve a broad range of security, diplomatic and international development objectives, including promotion of a global rules-based order and promotion of the rule of law as a fundamental precursor of development.

The International Deployment Group supports a range of activities, including:

- contributing to United Nations missions
- supporting the Coalition effort in Afghanistan
- contributing to the whole-of-government Regional Assistance Mission to Solomon Islands

Operations and Missions

The Operations and Missions function comprises both a deployable mission component and an Australia-based component. The mission component provides a standing capacity of sworn and unsworn members, either deployed to or ready to deploy to, short- and long-term domestic and international operations as required. When not directly engaged in International Deployment Group activity, the mission component provides additional capacity to other AFP business areas. Australian-based members of the function coordinate support to International Deployment Group missions, including the facilitation of Enabling Services through the Business Delivery Coordination Centre and a network of desks with geographic responsibility.

In 2009-10, the International Deployment Group supported the following operations and missions: United Nations missions in Cyprus, Sudan and Timor-Leste, as well as an Advisor to the United Nations Permanent Mission in New York; operations Contego and Synergy in Afghanistan; the Cambodian Criminal Justice Assistance Program; the Northern Territory Emergency Response and external territories policing. In addition, as outlined at Program 1.6: International Police Development, the International Deployment Group also supported police capacity development through the Timor-Leste Police Development Program, the Pacific Police Development Program and the Regional Assistance Mission to Solomon Islands.

United Nations commitments

Cyprus

Formed in 1964, the United Nations Peacekeeping Force in Cyprus maintains integrity of the buffer zone separating the Greek and Turkish Cypriot communities. AFP officers also provide support to the Civil Affairs Branch of the mission, which delivers humanitarian services.

In 2009-10, the AFP contributed 15 members to the Peacekeeping Force. The AFP Contingent Commander was selected to perform the role of United Nations Force in Cyprus Deputy Senior Police Advisor. This is a strategic leadership role which was initially aimed at managing all United Nations Police operations in Cyprus. The role has now been expanded to include involvement in the peace process between the Turkish Northern Cyprus and Greek Southern Cyprus communities who have been in conflict for 45 years.

Sudan

The United Nations Mission in Sudan was established in 2005. Through the mission, civilian police work to monitor and evaluate adherence to the Comprehensive Peace Agreement and develop the Sudanese Police Service. The primary roles of the AFP are to assist the coordination of bilateral and multi-lateral police contributions to the mission and to develop police training and evaluation processes for the development of Sudanese police.

Since the establishment of the mission the AFP has maintained a contingent of 10 officers who work as mentors, specialist advisors, planners and trainers at local police stations in four locations. Collectively, they provide advice on best-practice policing techniques and

on processes and strategies to enhance local police capacity. In 2009-10, AFP members also occupied the roles of Chief of the Joint Operations Centre and Liaison Officer to the Joint Logistics Operations Centre at Mission Headquarters, Khartoum.

Timor-Leste

In 2009-10, the AFP maintained a contribution of 50 members to the United Nations Integrated Mission in Timor-Leste, which also includes contributions from 40 other nations. The mission seeks to support stability, democratic governance and national reconciliation and the rebuilding of the Policia Nacional de Timor-Leste. In collaboration with other agencies and humanitarian organisations, the United Nations contingent also monitors, promotes and seeks to protect human rights.

Significant achievements during the reporting period included the appointment of the AFP Contingent Commander as Director of the Strategic Information Department and the appointment of other AFP members to a number of District Commander roles.

Advisor to the United Nations Permanent Mission in New York

The AFP has a senior police officer deployed to the United Nations Permanent Mission in New York. This officer provides advice on civilian policing matters that are relevant to Australia's participation in United Nations peacekeeping operations and briefs the AFP on emerging issues for the United Nations.

Afghanistan

Operation Contego

In accordance with Government direction, in 2009 the AFP deployed 12 members to Afghanistan to support Afghan National Police counter-narcotic efforts. Based in Kabul and Kandahar, the members were strategically placed within the Major Crimes Task Force, the Inter-Agency Operations Coordination Centre and the Combined Joint Inter Agency Task Force, where they undertook intelligence analysis and developed strategic direction and planning for Afghan National Police capability enhancement. AFP members also provided strategic direction to the Afghan-led Major Crimes Task Force, which was developed by coalition partners to enhance and promote an Afghan national investigation capability to target high-level corruption, kidnapping and organised crime.



AFP members provide strategic direction to the Afghan Major Crimes Task Force. Two members are pictured here with hashish seized in-country.

AFP members in Afghanistan continued to build strong partnerships with international law enforcement agencies during 2009-10, working closely with the United States Drug Enforcement Agency, the United States Federal Bureau of Investigation, the United Kingdom Serious Organised Crime Agency, the European Union Police and the International Security Assistance Force.

In December 2009, the Prime Minister of Australia announced a change in direction for the AFP in Afghanistan. This led to the combining of existing operations Contego and Synergy into a capacity development effort focused on the development of Afghan National Police in Uruzgan Province and at the Provincial Training Centre in Tarin Kowt. While the new mission is focused on police capacity development in Uruzgan, the AFP maintains strategic positions in both Kabul and Kandahar.

During the reporting period, the AFP contributed to a Major Crimes Task Force operation that resulted in the arrest of the Arghistan District Afghan National Police Chief of Police for drug trafficking offences. Associated seizures included 3,000 kilograms of hashish, 90 kilograms of opium seeds and firearms that included rocket-propelled grenades.

Operation Synergy

The AFP's commitment to Afghanistan was expanded in August 2009 with the deployment of a further 10 members to the Provincial Training Centre in Uruzgan Province. Within the context of the Government of Afghanistan's security, stability and rule of law objectives, Operation Synergy aimed to develop the skills of Afghan National Police, with a long-term view to effective and accountable policing in Uruzgan Province.

Due to the government-directed change of AFP focus in Afghanistan in December 2009, an additional six members were committed to Uruzgan Province in May 2010.

Significant achievements for Operation Synergy during 2009-10 included the provision of police training to more than 500 Afghan National Police officers and the provision of investigative skills workshops to 30 Afghan National Police officers.

Cambodia

Phase III of the Cambodia Criminal Justice Assistance Program began in 2007 with an emphasis on integrated criminal justice reform in Cambodia and strengthening the strategic, executive and technical capacity of the Cambodian National Police. While the program is funded by AusAID, it is conducted under the auspices of the Strategic Partnership Agreement between AusAID and the AFP.

Under the Agreement, a senior AFP advisor in Phnom Penh leads the police development program, working directly with a Deputy Commissioner of the Cambodian National Police and the broader Cambodia Criminal Justice Assistance Program team.

Significant achievements for the program during 2009-10 included: finalisation of the draft Police Act, which was handed to the Ministry of Interior in December 2009; commencement of the development of a Computerised Crime Statistics Data Base, supported by a paper-based gathering mechanism; and, development of a Community Policing Strategy which will be piloted in two Kampong Cham Province communes.

Northern Territory

Operation Pleach is the AFP's contribution to the Northern Territory Emergency Response. It is conducted under the Northern Territory Police Operation Themis, and aims to provide enhanced policing services to remote indigenous communities in the Northern Territory. The AFP also provides members to the multi-agency Child Abuse Taskforce, which investigates child sexual abuse and child sexual behaviour in remote communities.

During 2009-10, the AFP deployed 141 personnel to the Northern Territory on a rotational basis (up to 66 at one time), where police officers were sworn in as special members of the Northern Territory Police for the duration of their deployment. These members resided in remote communities, with support being provided by a forward command element in Darwin.

AFP members support and participate in a range of community projects to encourage engagement between youth and the police through shared interests. In 2009-10, these included the “Off the Hook” annual fishing competition and Robert de Castella’s Indigenous marathon project, “Running to America”. This involved the mentoring of young indigenous runners by police, with a view to joint participation in the 2010 New York Marathon.

External Territories

The International Deployment Group is responsible for managing and providing community policing services to the Australian external territories of Christmas Island, the Cocos (Keeling) Islands, Norfolk Island and Jervis Bay. AFP members in each of these jurisdictions implement community engagement strategies tailored to the local environment and to the cultural and religious sensitivities of local peoples.

Community engagement strategies common to each jurisdiction include:

- regular school visits and the delivery of crime prevention and personal safety messages
- participation in community celebrations
- regular meetings with representatives of community groups.

AFP members also perform a variety of regulatory functions, depending on the individual requirements of each locality. Such functions can include: undertaking Bailiff or Sheriff’s duties; fulfilling Australian Customs and Border Protection Services and Immigration functions; undertaking land-based and maritime search and rescue operations; and, undertaking the role of Territory Controller in times of a declared emergency.

Australian Peace and Stability Operations Centre

The Australian Peace and Stability Operations Centre manages the International Deployment Group’s corporate support, training and marketing and communications. A significant Centre achievement during 2009-10 was the negotiation of three contracts, with a combined value of \$141 million, for the provision of logistic support to the Regional Assistance Mission to Solomon Islands. The contracts are with HK Logistics for garrison support, PDL Toll for aviation support, and Aspen Medical for health support.

In addition, the Centre co-hosted the 15th Annual International Association of Peacekeeping Training Centres, which attracted 188 participants from 45 countries; developed an arrangement with the Department of Defence to enable reciprocal logistics support between the two agencies; and, completed the International Operations and the Australian Federal Police: Devising a Legal Framework project, an Australian Research Council funded collaboration between the AFP and the University of Melbourne Law School

International Deployment Group Training

International Deployment Group Training reviewed its programs during 2009-10 to ensure that training is meeting the changing demands of peacekeeping and capacity-building interventions and to optimise the delivery of new training programs. The team provides general and mission-specific pre-deployment training for members deploying to missions, as well as providing specialist programs focusing on tactical and stability response activities for Operational Response Group staff.

During the reporting period, International Deployment Group Training hosted and coordinated the United Nations Training of Trainers course in December 2009, which involved 20 police trainers from 11 countries, and began a review of pre-deployment training, which included analysis of training needs in missions and a comprehensive analysis of existing programs.

Training staff also participated in the pre-deployment training of other international jurisdictions, improved interoperability with the Australian Defence Force, supervised the construction of new buildings by students from the Canberra Institute of Technology at the Majura training village, and redeveloped pre-deployment training to include an e-learning course to deliver United Nations core pre-deployment training materials.

Pre-deployment Training

Six pre-deployment training programs were delivered in 2009-10 to a total of 199 participants. Attendees included AFP members as well as police members from nations contributing to the Regional Assistance Mission to Solomon Islands,

namely Tonga, Fiji, Kiribati, Niue, the Federated States of Micronesia, Nauru, Samoa, Vanuatu, Papua New Guinea, the Cook Islands, Solomon Islands, Tuvalu, Palau and the Marshall Islands. In May 2010, 24 members of the Policia Nacional de Timor-Leste also attended pre-deployment training in Canberra, completing all requirements necessary for deployment to United Nations missions.

During the reporting period, International Deployment Group Training commenced a trainer exchange program with New Zealand Police, which will continue throughout 2010-11.

Internal Training

During 2009-10, the Internal Training Team conducted International Deployment Group induction training for 152 staff and delivered or facilitated:

- a Diplomacy, Negotiation and Communication program
- First Aid project Management training
- Strategic Thinking training
- other professional development opportunities for International Deployment Group members and others.

Operational Response Group Training

The Operational Response Group training team continued to maintain and develop the contemporary firearms and tactical skills of the Operational Response Group. It also commenced development of an Operational Response Group search and rescue capability, incorporating a dive team and tactical medics.



The Operational Response Group delivers specialist tactical operations in support of higher-risk policing operations at home and abroad.

The team assisted in the delivery of Public Order Management training in Perth, to develop Perth Office's capacity to support a civil unrest response. Team members also participated in a number of forums and exercises in order to maintain best practice in training methodology. This included participation in the New Zealand Fire and Rescue Services Industry Training Organisation's multi-agency Search and Rescue Conference in Rotorua, New Zealand, resulting in an invitation to assist at the 2010 National Emergency Management Training Officer's Conference in Brisbane. It also included the provision of training assistance during Operation Talisman Sabre, a multi-agency international military exercise held at Shoalwater Bay.

Design and Evaluation

The Design and Evaluation function comprises a design and development team and an evaluation team. In addition, it supports AusAID liaison, Asia Pacific Civil-Military Centre of Excellence liaison and long-term schooling. Through these teams and initiatives, the Design and Evaluation function supports International Deployment Group research in to the contribution of police to improved rule of law outcomes in developing countries. This provides the basis for the ongoing development of International Deployment

Group programs, the incorporation of lessons learned in to International Deployment Group practice, the evaluation of International Deployment Group activities, and participation in policy and academic dialogue about international law and justice sector reform.

Design and development is a multi-disciplinary team. Significant achievements during 2009-10 included: the design of police capacity development programs in Papua New Guinea and Samoa; the provision of support to the *Independent Review of the AFP, International Deployment Group Future Strategy Funding*; and, the development of new policy proposals for continued support for police capacity development in the Pacific, Timor-Leste and Afghanistan. The team also contributed to the development of Pacific Security Partnerships with Kiribati and Samoa, in close collaboration with the Department of Foreign Affairs and Trade and the Australian Agency for International Development.

Prior to establishment of the evaluation team, the design and development team conducted reviews of Operation Pleach and the Timor-Leste Police Development Program. During the reporting period, the newly established evaluation team, in collaboration with design and development, contributed to whole-of-government dialogue on the performance of the Australian aid program, including through peer review processes. For the first time, three AFP personnel attended the acclaimed International Program for Development Evaluation Training, held at Carleton University in Ottawa, Canada.

In 2010, Design and Evaluation, through Asia Pacific Civil-Military Centre of Excellence liaison, provided support for the Challenges Forum, "Challenges of

Protecting Civilians in Multidimensional Peace Operations”, and the African Union “International Symposium on the Protection of Civilians in Conflict Zones”, which was held in Addis Ababa, Ethiopia. Support was also provided for a Civil-Military Interaction Seminar in December 2009, which was attended by more than 100 delegates from 25 countries.

Operations Support

The Operations Support function comprises four key elements: the Operational Response Group (ORG), an Intelligence team, a Plans team and Liaison Officers responsible for the Australian Defence Force (ADF) relationship.

The ORG maintains a rapidly deployable crisis-response capability to support international stability and security, predominantly in the Asia-Pacific region. In addition, the ORG provides tactical or specialist police support to all Outcome 1 high-risk policing operations. In 2009-10, the ORG maintained a permanent deployment of 15 personnel to Solomon Islands in support of the Participating Police Force and the Royal Solomon Islands Police Force.

Significant achievements of the ORG during the reporting period included: an operational training needs analysis of the Vanuatu Police Force which led to the development of a training plan focussed on Public Order Management and Use of Force; continued joint development of training for the Philippines National Police, including the delivery of a police negotiators program in June 2010; the provision of specialist tactical response support to high risk Outcome 1 operations; planning for the 2010 Solomon Islands elections; support to public order management responses at Immigration Detention Centres; and planning support for, and participation in the international multi-agency exercise Talisman Sabre.

Program 1.5: Aviation Services

Workload:

Airport Uniform Policing

- 306 people were arrested, resulting in 416 charges
- 1,172 people were cautioned
- 119 people were charged before the court
- 360 were summonsed

Counter Terrorist First Response (incorporating Firearms Detection Dog Teams and Bomb Appraisal Officers)

- 20,495 response incidents
- 71,600 preventative operations
- response to 4,211 unattended or suspicious packages or items

Joint Airport Investigations

- 94 apprehensions, resulting in 208 charges

Response Times

	Priority 1		Priority 2		Priority 3		Priority 4
	< 5 mins	< 10 mins	< 15 mins	< 20 mins	< 90 mins	< 120 mins	< 24 hours
Targets	75 per cent	90 per cent	75 per cent	90 per cent	75 per cent	90 per cent	90 per cent
Overall	81 per cent	95 per cent	91 per cent	96 per cent	99 per cent	100 per cent	100 per cent

Regional Rapid Deployment

- 513 deployments (including seven joint agency deployments)
- 14 joint agency training exercises
- deployment to 128 regional airports

Aviation Incident Preparedness

- delivered 43 national exercises incorporating all-hazards response at airports

Performance Measures:

- business satisfaction survey 92 per cent, target 90 per cent
- airport community confidence survey 76 per cent, target 70 per cent
- resources on preventative operations 84 per cent, target 70 per cent

Overview

The Aviation function contributes to Australia's national security framework by providing a safe and secure environment at domestic and international airports through the delivery of the Unified Policing Model.

The Unified Policing Model provides centralised command and control of all Aviation policing functions through the Executive and the Airport Police Commanders. These functions include

a terrorism deterrence and response capability, a visible uniformed policing element, a serious and organised crime investigation capacity, an intelligence network, an Air Security Officer program, specialised support functions, including explosive identification and canine detection, and a police-industry liaison service.

Aviation also fosters and enhances relationships with industry, government and community stakeholders.



A visible uniformed policing presence helps provide a safe and secure environment at Australia's 11 major domestic and international airports.

Strategies employed by the Aviation function in support of Outcome 1 include:

- enhanced delivery of uniformed operations at Australia's 11 major airports
- crime investigations—nationally coordinated aviation investigations
- deployment of specialist support capabilities
- enhanced engagement with internal and external clients and stakeholders
- business improvement—achieved through better organisational alignment and consolidation of Aviation resourcing.

Delivery of the Unified Policing Model

The Unified Policing Model is delivered through a centrally coordinated command structure by suitably trained personnel from the AFP and other agencies within a proactive and intelligence-led framework.

Through strategic partnerships and engagement with aviation stakeholders, such as airport operators and other government agencies, each Airport Police Commander ensures the alignment of strategic security priorities with an operational focus in a coordinated manner across the 11 major airports.

During 2009-10 this was achieved through active participation and leadership in a number of forums including Australian Government Agency Airport Security committees and Airport Security committees.

The Australian Government Agency Airport Security Committee is chaired locally by each Airport Police Commander and supported administratively by the AFP. The Airport Security Committee is chaired by the Chief Executive Officer of each airport's operator.

Both these committees report to the Australian Government Transport Security Policy Committee, which provides whole-of-government coordination in the development and implementation of transport security policy.

Counter Terrorist First Response

AFP Protective Service Officers provide a Counter Terrorist First Response capability at all 11 major Australian airports, a uniformed, armed and visible presence to deter, prevent and respond where necessary to acts of terrorism. The delivery of this capability varies according to the threat.

While the resolution of terrorist incidents is the responsibility of State and Territory police in line with National Counter Terrorism Plan protocols, the Counter Terrorist First Response capability delivered by AFP Protective Service Officers plays a vital role in deterring terrorism and providing the first response to contain a terrorist incident.

Supporting Counter Terrorist First Response deployments is part of the national framework articulated in the AFP's Aviation Operations Manual. This requires proactive activities designed to detect,

deter and prevent reconnaissance by politically motivated or terrorist groups.

The Counter Terrorist First Response capability includes Firearms and Explosives Detection Dog teams and Bomb Appraisal Officers. These teams responded to 20,495 incidents and undertook 71,600 preventative operations across all functions of the 11 major airports during 2009-10. These incidents involved responses to suspicious packages, detection of weapons at screening points, unattended baggage and other security-related matters.

Response times to both crime and non-crime incidents at Australian airports has achieved or exceeded set targets. The AFP has achieved an overall client satisfaction rating of 92 per cent for its Aviation Services function.



The Counter Terrorism First Response team includes firearms and explosives detection dog teams.

Project Macer

In December 2009, the Australian Government endorsed Mr Roger Beale's report *New Realities: National Policing in the 21st Century* (Beale Review), which gave recommendations in relation to AFP budget and programs, the AFP Executive structure and how the AFP provides aviation security to the community.

The principle recommendation in the Beale Report, in the context of aviation security and policing, was for the AFP to transition

from the existing Unified Policing Model to an AFP "All-In" sworn police model.

Currently, Airport Uniform Policing capabilities are performed by seconded State and Territory police officers, while Counter Terrorist First Response capabilities are performed by AFP Protective Service Officers.

Under the new model the Unified Policing Model workforce will transition into an homogenised, fully-sworn AFP workforce whereby the Commonwealth, through the AFP, assumes full responsibility for providing nationally integrated security and policing services across the 11 major airports.

The AFP Aviation function established Project Macer to manage the transition from the Unified Policing Model to the "All-In" Model over the next three to five years.

The transition to the "All-In" Model will realise long-term operational efficiencies and remove reliance on the States and Territories to provide police to staff airport uniform policing roles. The "All-In" Model will also deliver an enhanced investigations and support capability. AFP members in the operations stream will now seamlessly deliver both Counter Terrorist First Response and community policing capabilities.

Consultation with the Australian Attorney-General's Department, Australian Government Solicitor, Department of Finance and Deregulation, airport operators, the Community and Public Sector Union, the Australian Federal Police Association and all State and Territory police jurisdictions occurred during the development of the project plan which is now endorsed.

Regional Rapid Deployment

Regional Rapid Deployment teams based at Brisbane, Melbourne, Perth and Sydney airports deploy to regional airports across Australia providing an active deterrent against terrorist threats and a Counter Terrorist First Response capability.

Teams have the capability to deploy with up to eight AFP Protective Service Officers and can include a Firearms and Explosives Detection Dogs team or Bomb Appraisal Officers to provide a random and highly visible law enforcement presence at regional airports.

During 2009-10 teams took part in 14 joint-agency training exercises that ranged from Airport Security Committee meetings and discussion exercises through to practical field exercises like the multi-jurisdictional exercise Operation Talisman Sabre held during the reporting period in Queensland.

Operation Talisman Sabre was a joint military exercise with Regional Rapid Deployment teams from Brisbane and Sydney to provide an active deterrence against unlawful interference with Australian and United States Defence Force assets to Aviation.

In 2009-10 the Regional Rapid Deployment teams also contributed to the overall terrorist deterrence strategy by completing 513 deployments (including seven joint agency deployments) to 128 regional airports to ensure compliance with security procedures. The deployments also provided an opportunity to educate regional aviation stakeholders on contemporary security measures and the delivery of counter-terrorist planning strategies.

AFP National Canine

In 2009-10, the AFP National Canine Operations Centre continued to train Explosive Detection Canine teams to fulfil its obligation to provide canine teams to the major airports.

AFP National Canine also validated all canine and handler teams during 2009-10 and conducted two Explosive Detection Training courses bringing the total for the AFP National Canine Program to 45.

Since the successful completion of the first Currency and Drug Detection Course in June 2009, AFP National Canine has graduated a further two Currency and Drug Detection teams. The introduction of this capability has contributed to seizures of more than \$12 million in currency and illicit drugs during 2009-10 for AFP, State policing agencies, the Australian Crime Commission and ACT Policing. The success of these seizures has significantly increased the demand for this resource throughout Australia.

AFP National Canine also graduated three General Purpose/Tactical Canine teams in November 2009. This capability provides the AFP with a use-of-force option and search resource that has already been used throughout the regions.

In February 2010, the Australian Government announced additional funding of more than \$17.8 million to provide a 50 per cent increase in Firearms and Explosives Detection Dogs capability to target international flights at Australian airports.

Bomb Appraisal Officers

In 2009-10 the Bomb Appraisal Officer program continued to support the Unified Policing Model at Australia's 11 major airports and selected establishments of importance to the Australian Government.

Bomb Appraisal Officers contribute to the protection of persons and critical infrastructure at designated places through bomb threat mitigation, deterrence strategies, operational planning, search of vulnerable areas, education and the appraisal of unattended or suspicious objects.

When unattended or suspicious objects are found, Bomb Appraisal Officers conduct a bomb threat appreciation and technical analysis to determine whether the object contains explosives or an improvised explosive device.

In addition to providing a first response to unattended or suspicious items and/or bomb threats, Bomb Appraisal Officers also contribute to Counter Terrorist First Response deterrence strategies through targeted actions.

In 2009-10 Bomb Appraisal Officers responded to 4,211 unattended or suspicious packages or items. On average, Bomb Appraisal Officers have conducted technical analyses (x-ray) on 52 items per month and more than 33 targeted searches per month nationally.

AFP members who are qualified as Bomb Appraisal Officers are also part of the full-time Counter Terrorist First Response structure and, as such, are often deployed with one of the Regional Rapid Deployment teams.

Airport Uniform Police

The Airport Uniform Police role is to provide an immediate-response capacity to community policing matters within an airport domain. This may involve responding to simple offences, proactively targeting general criminality as a result of intelligence-led strategies, resolving public disorder incidents and investigating theft and property damage offences. Airport Uniform Police also attend counterfeit currency incidents, provide an initial response to suspected illicit drug importations and participate in joint targeting operations with Commonwealth, State and Territory government agencies.

As Airport Uniform Police, members retain their respective State and Territory police powers and are also able to investigate Commonwealth offences once they have been designated as AFP Special Members.

Throughout 2009-10, Airport Uniform Police operation activities across the 11 major airports resulted in:

- 306 people were arrested with a total of 416 charges
- 1,172 people were cautioned
- 119 people were charged before the court
- 360 were summonsed.

Joint Airport Investigation and Joint Airport Intelligence Teams

Joint Airport Investigation Teams provide a specific investigations capacity under the Unified Policing Model and are located at five major airports (Adelaide, Brisbane, Melbourne, Perth and Sydney).

The mission of the teams is to proactively target serious and organised criminality and trusted insiders such as aviation employees who exploit, or aim to exploit, infrastructure and security vulnerabilities.

The staffing model for the Joint Airport Investigation Teams embodies the collaborative nature of the Unified Policing Model, with personnel being made up of 30 sworn AFP police officers, 10 Australian Customs and Border Protection Service officers and 10 State police officers from across Australia. The teams also rely on close liaison and cooperation with State and Territory law enforcement agencies, government agencies and the aviation industry.

In 2009-10, the Joint Airport Investigation Teams were responsible for 94 apprehensions, resulting in 208 charges, for a variety of offences including drug importations, theft, threats to aviation security and offences committed by airline or airport employees.

The AFP Aviation function is supported by the intelligence function, which provides both strategic and operational intelligence through the Joint Airport Intelligence Group located at the major airports. Each Joint Airport Intelligence Group is made up of sworn and unsworn AFP employees, State or Territory police and Australian Customs and Border Protection Service officers.

The groups can also have representatives from the Australian Quarantine Inspection Service, the Australian Crime Commission, the Australian Security Intelligence Organisation, the Department of Immigration and Citizenship and the Office of Transport Security attached to it.

The Joint Airport Intelligence Groups maintain responsibility for providing

Aviation with actionable intelligence products to inform the deployment of personnel and resources to counter general security threats and/or other aviation vulnerabilities.

Additionally, each group provides operational intelligence support to the Joint Airport Investigation Teams through target development and assessment of high-level criminality at airports. As part of this role, the Joint Airport Intelligence Groups analyse the data obtained to identify trends and convergences in the aviation operating environment.

The Joint Airport Intelligence Groups are guided by agreed Intelligence Collection Plans and National Priorities for Aviation. They provide intelligence support to the Unified Policing Model by delivering intelligence to Joint Airport Investigation Team investigations and developing risk assessment models to aid the deployment of resources.

Air Security Officer Program

The Air Security Officer Program was established by the Australian Government in 2001 to enhance aviation security and address gaps in Australia's counter-terrorism capabilities.

Air Security Officers provide an intelligence-led deterrence capability on selected domestic and international flights to safeguard Australian-registered aircraft against in-flight attack. This capability includes an in-flight response and resolution capacity in the event of an attack.

During 2009-10 Air Security Officers were deployed on both domestic and international flights, demonstrating Australia's commitment to the international standards and procedures adopted by the International Civil Aviation Organisation.

Australia has a number of reciprocal deployment arrangements in place with key international partners and the Australian Government continues to pursue these arrangements with the governments of other key foreign destinations.

Aviation Incident Preparedness Team

The Aviation Incident Preparedness Team designs and facilitates exercises for the 11 major Australian airports. The exercises are based on prevalent and emerging security concerns identified through intelligence, stakeholder feedback and management-initiated needs. They are designed to enhance the response to identified incidents.

Three nationally-based exercises are delivered by the Aviation Incident Preparedness Team at each airport every year. In addition, exercises are held on an ongoing, as-needed basis and additional individual exercises are conducted for airports with emerging risks such as Heads of State visits and international forums.

During 2009-10, the team presented 43 national exercises.

Whole-of-government and Industry Approach to Aviation Security

The AFP has engaged positively with stakeholders from the aviation industry and central government agencies to actively enhance and shape aviation security policy and arrangements. At a strategic level the AFP participated in a range of aviation and national security forums including the:

- Homeland and Border Security Policy Coordination Group

- Australian Government Transport Security Policy Committee
- Aviation Security Advisory Forum
- National Counter Terrorism Committee.

In support of these and other forums the Aviation function regularly participates in, and contributes to, a range of sub-committees, working groups and regional aviation stakeholder meetings.

Aviation and Protection Training

The Aviation and Protection Training Team designs, develops and delivers training for Airport Uniform Police and Protective Service Officers attached to the Aviation and Protection portfolios.

Training for Aviation staff includes the following delivery programs:

- Airport Uniform Police
- Counter Terrorist First Response
- Protective Service Officer Development Program
- Specialist Bomb Appraisal Officer training.

During 2009-10, the Aviation training program also included the delivery of:

- Airport Uniform Police programs—a six-week program delivered to 115 members to date and a further three courses for 25 members is scheduled for the 2010-11 financial year
- Protective Service Officer Development workshops—a five-day course delivered to 260 members
- Protection Specialist Training: Bomb Appraisal Officer course—a five-week program delivered to 36 members.

Significant Events

Enhanced Cooperative Intelligence-sharing

Chaired by the AFP, the Airport Intelligence Joint Working Group continued to support the operational arrangements for information- and intelligence-sharing bringing about an improvement in relationships with government partners through the conduct of quarterly meetings. These cooperative relationships facilitated intelligence outcomes nationally in the aviation security environment.

The AFP and the Australian Crime Commission continued to align their intelligence activities through the development of the vulnerabilities register and agreement on a suite of strategic products to meet stakeholder needs.

Suspected Gas Leak at Sydney Airport

On 12 December 2009, AFP Sydney Airport Operations, New South Wales Police, New South Wales Ambulance and the Aviation Rescue and Fire Fighting Service responded to the report of a suspected gas leak in Pier C Departures after a number of people complained of breathing difficulties and a metallic/acid taste in the mouth.

After an assessment by the New South Wales Fire Brigades Hazmat team the area was evacuated and Counter Terrorist First Response and Airport Uniform Police established a land-side cordon to prevent anyone entering the Pier and, after reports of airport staff experiencing the same symptoms, an air-side cordon was established and a roadblock put in place to prevent vehicles driving on to the Departures roadway.

New South Wales Fire Brigades closed the air conditioning and conducted tests at both land-side and air-side of Pier C with nil results. The area was subsequently declared safe and reopened four hours after the initial report.

Approximately 27 people were treated by New South Wales Ambulance during the incident and all were released at the scene. Pier B was able to continue normal operations but one Pier C flight was delayed and a second flight cancelled due to the plane not being able to be serviced during the evacuation. The cancellation required 403 passengers to be removed from the Departures area in Pier B to the Arrivals level for reprocessing.

Suspected Child Sex Offender Arrested at Sydney Airport

On 15 December 2009 the AFP assisted New South Wales Police to identify and arrest a male thought to have sexually assaulted young children at a number of McDonalds restaurants. He was attempting to purchase tickets to leave the country when he was taken into custody at Sydney Airport. The man appeared before court on 31 May 2010 and was convicted.

Homicide Suspects Detained at Sydney Airport

On 4 January 2010 Sydney Airport police received a phone call from New South Wales Police requesting assistance in the arrest of two homicide suspects. The suspects were due to depart Australia on an international flight just 18 minutes from the time of the phone call. AFP members attended the Departure gate, boarded the flight and arrested the suspects who had already been seated. This matter is now before the court.

Assistance Provided to New Zealand Police

On 17 December 2009 a Sydney Airport investigations team assisted New Zealand police by arresting a Jamaican national for allegedly robbing financial institutions using handwritten bomb-threat notes. The man was arrested as he was preparing to fly to Canada.

Warrant charges specified he had threatened to kill a bank employee and committed bomb-threat-related offences. The man was extradited to New Zealand.

Perth Airport Evacuated Following Security Breach

On 5 February 2010 Perth Airport Uniform Police and Counter Terrorist First Response Officers evacuated approximately 500 passengers from the airport Departures lounge after a security breach at the screening point.

The terminal was running in an orderly fashion one hour and 40 minutes after the breach was resolved. Four flights were delayed during the incident.

Fire Scare Causes Evacuation at Perth Airport

On 30 October 2009 more than 250 people were evacuated from the Qantas T2 terminal after a fire alarm associated with an electrical fire sounded.

Due to the electrical fault the T3 Westralia Airport Corporation terminal alarm was activated requiring a further 350 staff and passengers to be evacuated with assistance from Counter Terrorist First Response and Airport Uniform Police.

After an onsite electrician inspected the fault and declared the airport safe T3 terminal was reopened approximately 50 minutes after the evacuation and T2

terminal was reopened one hour and 20 minutes after evacuation.

Air North Aircraft Incident at Darwin Airport

On 22 March 2010 at approximately 10.20 am AFP Darwin was notified of an aircraft crash at the western end of the runway. AFP members observed a large plume of black smoke coming from bushland and were first on the scene, notifying Northern Territory Police, Airservices Australia and Department of Infrastructure, Transport, Regional Development and Local Government before cordoning off the area. Fire and Ambulance crews were on site.

Preliminary investigations revealed the two passengers, later confirmed as deceased, were qualified pilots working for Air North undertaking training on the twin engine Embraer 120 Brasilia aircraft.

AFP was on site to provide assistance and advice to attending personnel leading up to the handing over of the investigation to the Northern Territory Police.

Fatal Helicopter Accident at Gold Coast Airport

On 2 July 2009 Gold Coast Airport AFP members were advised of a fatal helicopter crash at the southern end of the runway of the airport. As a result of this report AFP Airport Uniform Police and Counter Terrorist First Response members attended the crash location.

On arrival, members observed that Aviation Rescue Fire Fighting Service, Queensland Ambulance and Care Flight Emergency staff were in attendance. Preliminary investigations determined that the crash site was on Commonwealth land in the State of New South Wales so AFP members cordoned off the area

and assisted New South Wales Police in maintaining security at relevant locations until the scene examination was completed.

Joint Airport Investigation Team investigation into organised air freight theft

On 20 April 2007, the Brisbane Joint Airport Investigation Team received a complaint from the Operations Manager of a technology company in relation to the theft of mobile phones during transit from Melbourne to Brisbane in January 2007. This lost/stolen consignment was directly linked to an air transport company and became part of Brisbane Joint Airport Investigation Team's **Operation Scenery**.

On 4 September 2009, three defendants were listed to appear in the Brisbane Supreme Court to face charges of gaining benefit or advantage contrary to section 408C(1) of the *Criminal Code (QLD) Act 1899*. Each of the defendants entered a plea of guilty to the mentioned charges. Court results were as follows:

Each of the defendants was ordered to pay restitution to the amount of \$4,800.

A further defendant appeared before the Brisbane District Court on 3 May 2010. The defendant entered a guilty plea in respect of one count of gaining benefit or advantage contrary to section 408C(1) of the *Criminal Code (QLD) Act 1899*. The defendant was convicted and sentenced to 18 months imprisonment—fully suspended for a period of five years, and fined \$4,500.

Total value of the recovered stolen goods was \$33,000.

Significant Investigations and Arrests

As a result of a Melbourne Airport Joint Airport Investigation Team investigation, two men were arrested on 1 September 2009 in relation to attempting to extort Singapore Airlines by threats of sabotage. This matter has been before the court and offenders have been convicted.

Operation Drobeta was an investigation into the organised theft of 37 mobile phones over the period 9 October 2007 to 24 May 2008 (valued in-excess of \$10,000) from cargo consignments that had been off-loaded or were transiting through Melbourne Airport. Eight Aviation Security Identification Card holders were arrested and charged with theft offences. Of these, five were convicted, three received diversions and all Aviation Security Identification Cards were rescinded.

Operation Loment was a two-year investigation into airport employees who were helping a criminal syndicate import cocaine into Australia on commercial airlines. Police action initiated on 20 September 2009 resulted in the seizure of 1.1 kilograms of cocaine and the arrest and charging of six suspects for 12 offences, including serious drug importation charges and money laundering. Another suspect was arrested and charged in relation to the operation in October 2009. This matter is currently before the court.

Program 1.6: International Police Development

Overview

The International Deployment Group supports international police development and rule of law through programs outlined under Program 1.4: International Deployment Services, and those outlined under this section. The Timor-Leste Police Development Program, the Pacific Police Development Program and the Regional Assistance Mission to Solomon Islands utilise both Administered and Departmental funds to support the development of police capacity in Timor-Leste, throughout the Pacific and in Solomon Islands respectively.

Component 1.6.1: Timor-Leste Police Development Program

The Timor-Leste Police Development Program is an institutional strengthening initiative, which aims to develop the capacity of the Policia Nacional de Timor-Leste (PNTL) to contribute to the rule of law. In addition to supporting the police, the program provides assistance to the Office of the Secretary of State-Security and the Office of the Prosecutor General.



International Deployment Group members support the Policia Nacional de Timor-Leste and the professional development of its officers.

During 2009-10, the Program continued to support the improvement of financial management, human resources, strategic planning and corporate governance practice and procedures. Considerable training opportunities were also provided, with an emphasis upon leadership, project management, investigations, criminal intelligence, criminal procedure, internal discipline and computer-based training.

During the reporting period, the Program:

- launched a gender-based violence investigations training manual in conjunction with the United Nations Population Fund and the Policia Nacional de Timor-Leste
- funded 16 Policia Nacional de Timor-Leste members to attend the 2009 Women in Policing Conference
- assisted 50 Policia Nacional de Timor-Leste members to attend various Jakarta Centre for Law Enforcement Cooperation courses, and four members to attend the 15th Annual Association of Peacekeeping Training Centres Conference
- funded 25 Policia Nacional de Timor-Leste members to participate in the AFP's pre-deployment training program, qualifying them to deploy to United Nations peace operations
- provided support for infrastructure development and equipment purchase, including infrastructure development at the Police Training Centre, two four-wheel drive vehicles for the PNTL, First Aid kits for PNTL stations and posts, and three vehicles for the Justice Department.

In recognition of the program's contribution to Timor-Leste's enduring stability, President Jose Ramos Horta presented each team member with the Timor-Leste Solidarity Medal on 4 September 2009.

Component 1.6.2: Pacific Police Development Program

The Pacific Police Development Program was funded in the 2008-09 budget to progressively absorb a number of bilateral policing initiatives, expand the established multilateral program and support regional police services in an integrated way. The program supports specific initiatives in Samoa, Tonga, Nauru and Papua New Guinea as well as providing multilateral support to all members of the Pacific Islands Forum, with the exception of Fiji.

The Program was allocated \$80.1 million over four years, with \$75 million managed by the AFP and \$5.1 million managed by the Australian Attorney-General's Department.

Significant Activities

Significant achievements during 2009–10 included:

- Delivered a series of leadership development activities, including executive workshops in Micronesia.
- Delivered a recruit engagement and training workshop in Australia and provided intensive in-country support in Kiribati and Tuvalu to develop a contextualised recruitment framework.
- Provided vehicles to Kiribati to support its community engagement strategy.
- Delivered highly successful media-awareness workshops in Samoa and the Republic of Marshall Islands to police from various countries in the region and to community representatives and local media.
- Delivered fingerprint, photography and crime-scene management training and relevant equipment and facilitated a regional forensics forum to enhance forensic capability across the region.
- Provided structure reform and executive assessment centre support in the Cook Islands.
- In consultation with key stakeholders, conducted an extensive review of the police service in the Republic of Marshall Islands to inform future directions for reforming the service.
- Supported the Pohnpei State community project by providing a vehicle.
- Engaged three executive mentors to provide high-level support to police executives across the region.

Samoa

The Samoa–Australia Police Partnership was established in 2009 with the deployment of a senior AFP advisor to Apia, Samoa.

Significant achievements during 2009-10 included:

- the development of the Samoa Police Strategic Framework 2010-2012
- the development and implementation between January and June 2010 of the Samoa Police Interim Plan
- the AFP's Disaster Response to Samoa after the 2009 tsunami and ongoing advice and support to the Government of Samoa on the implementation of the Tsunami Recovery Plan 2009-2012.

Other initiatives during this short time have been a review of the Samoan prison system, participation in the Pacific Police Development Program's Police Media Practitioners' workshops and implementation of a review into the effectiveness of the Samoa Police communications network.

Tonga

The Tonga Police Development Program is a trilateral program between the governments of Tonga, New Zealand and Australia to develop and professionalise the Tonga Police Force.

The program is jointly funded by the Pacific Police Development Program and AusAID to a total amount of \$2.6 million. Three AFP members are currently deployed to Tonga in an advisory capacity to support various specialist functions and capacity development programs on an as-required basis.

Significant achievements during 2009-10 were:

- the establishment of a Police Communications Centre and the roll-out of a nation-wide police radio communications network
- the Tongan Attorney-General's Department's review of police regulations and policy
- support provided during the drafting of a new Police Bill
- a review of Tonga Police criminal investigations practice and procedures
- the Tonga Police training school and police recruitment processes
- the purchase of nine new police vehicles.

Other initiatives during 2009-10 were the establishment of a professional standards office, the implementation of a new community policing engagement strategy to put police on the streets on bicycles, and the opening of three community policing centres in Kolovai, Popua and Lapaha districts.

Papua New Guinea

The Papua New Guinea–Australia Policing Partnership is a police-to-police program involving the AFP and the Royal Papua New Guinea Constabulary, which operates in close collaboration with the Papua New Guinea–Australia Law and Justice Partnership. The phased program of assistance commenced in September 2008, with an initial focus on the development of relationships, scoping and design of an expanded program of support for institutional reform.

A significant achievement during 2009-10 was completion of a Strategic Framework that identifies a vision for long-term reform of the Royal Papua New Guinea Constabulary and articulates short-term strategies to promote reform.

The Strategic Framework was endorsed by the Commissioner of the Royal Papua New Guinea Constabulary and his Executive as the roadmap for future reform, with a key emphasis on promoting positive behavioural change and holistic organisational reform.

In addition to development of the Strategic Framework, the Papua New Guinea–Australia Policing Partnership provided support for the improvement of basic Royal Papua New Guinea Constabulary infrastructure, providing a much needed boost to morale. Notably, the program refurbished Cadet Officer Training School facilities and accommodation, as well as the Badili offices which house the Internal Affairs Division, Legal and the National Drug Squad. Support was also provided for the refurbishment of police cells at Lae, Boroko, Kimbe, Waigani and Goroka to improve compliance with Human Rights standards.

Nauru

Established in November 2004 under a Memorandum of Understanding between the governments of Nauru and Australia, this Police Force Cooperation/Capacity Program is addressing the challenges faced by the Nauru Police Force.

The AFP provides a Police Commissioner, a Police Operations Advisor and a Logistics Officer to this mission to support the National Sustainable Development Strategy. This strategy aims to develop and mentor the Nauru Police. Leadership development is currently being undertaken to meet the National Sustainable Development Strategy objective of appointing a Nauruan national to the position of Police Commissioner by 2012.

Significant achievements for this period were:

- the Recruit Training Program provided 12 new recruits to the Nauru Police Force
- one Nauru Police Force member was pursuing a Bachelor of Policing Studies in Fiji
- ongoing executive-level training, specific to Pacific Islands domestic policing requirements, was provided
- legislation was passed enabling the transition of the Nauru Corrections Service from the Police to the Justice Ministry
- a National Disaster Risk Management Unit responsible for developing disaster management plans and information and education packages was implemented.

Funding and project management for the building of a new Police Headquarters was also begun during the reporting period after the previous headquarters was destroyed by fire in 2008 during civil unrest.

Vanuatu

The Vanuatu Police Force Capacity Building Program is an arrangement between the governments of Vanuatu and Australia under which the AFP provides police advisors to build the capacity of Vanuatu Police Force members.

The program is funded by AusAID and has a budget commitment of \$28.5 million over five years.

There are currently nine AFP technical advisors based in Vanuatu and additional advisors deploy depending on various capacity development and training needs.

During 2009-10 there was a review of Vanuatu Police Force response capacity and work was undertaken to provide a framework for further operational enhancements in tactical policing. These changes support Vanuatu Police Force organisational priorities and forward planning goals.

Significant achievements during the reporting period were the development and roll-out of the Crime Reporting Information Management System across each of the provinces, an additional 33 police recruits graduated from the police training academy, and the development of human rights training packages by the Vanuatu Police Force, for delivery during its ethics and integrity training.

Initiatives intended for the 2010-11 reporting period are tactical training for the Vanuatu Police Force Tactical Response Unit by specialist tactical police from the AFP's Operational Response Group, and middle- and senior-level management leadership development and training at the Australian Institute of Police Management.

An Open Water Tier II vessel was also purchased by the program to support maritime and border protection activities up to 100 nautical miles off-shore and it is intended a further ten banana boats, suitable for use in shallow waters and fitted with appropriate maritime safety equipment, will be purchased to provide access to remote areas.

Component 1.6.3: Regional Assistance Mission to Solomon Islands

The Regional Assistance Mission to Solomon Islands is a multi-nation mission to which Australia, New Zealand and the majority of Pacific Islands countries contribute members to the Participating Police Force.

The Mission has been operating for almost seven years and considerable progress has been made since police were first deployed to restore law and order in 2003. It is believed its multi-national composition has been influential in the mission's success and acceptance by the Solomon Islands community.

The Participating Police Force is Australian-led and made up of police officers and technical specialists from 15 Pacific Islands countries. In 2005, there was a shift from prominent in-line policing to gradually increasing capacity development activities and providing technical advisors to the Royal Solomon Islands Police Force.

The Participating Police Force is now heavily engaged in supporting the design and implementation of change-management programs, institutional strengthening and developing human capital and capital works

and infrastructure programs to support the efforts of the Royal Solomon Islands Police Force to achieve independence and sustainability, as detailed in their *Strategic Directions Paper 2010-2013*.

Capacity Development

The Participating Police Force works closely with the Royal Solomon Islands Police Force Executive to provide leadership and opportunities for formal leadership development.

In addition to working with the Royal Solomon Islands Police Force leadership team, the Participating Police Force continues to identify organisational achievers at the middle-management level, who would also benefit from professional development, as well as those officers who would benefit from technical skills training in areas such as forensics, disaster victim identification and investigations.

During 2009-10 a significant shift in operational planning allowed the Royal Solomon Islands Police Force leadership group to take back responsibility for planning operations as demonstrated by the establishment of a dedicated policing capability tasked with managing emergency responses and special events.

Significant achievements during 2009-10 were:

- the Royal Solomon Islands Police Force Strategic Directions Paper 2010-2013 being endorsed by the Solomon Islands Government
- the development and implementation of a Royal Solomon Islands Police Force domestic violence policy that includes welfare support for victims of domestic violence
- planning for the 2010 Solomon Island election, led by the Royal Solomon

Islands Police Force Emergency Management and Special Events Planning Unit and supported by tactical and desk-top exercises.

The 2009 People's Survey continued to support the presence of the Mission and the Participating Police Force in the Solomon Islands, with findings indicating an improvement in community confidence in the Royal Solomon Islands Police Force's performance.

Other highlights during the reporting period were the development of a gender equality policy which is now being applied to all recruit selection processes.

The Participating Police Force also launched a program in 2009-10 to improve the numeracy and literacy skills of all members of the Royal Solomon Islands Police Force and a number of capital works projects were instigated to provide appropriate accommodation, housing and office space.

Component 1.6.4: Pakistan: Law Enforcement and Transnational Crime

This program seeks to:

- increase the investigative and forensic capacity of Pakistan law enforcement agencies
- increase the AFP's ability to collect and exchange criminal and forensic intelligence
- enhance the ability of Pakistan authorities to conduct joint and multi-agency investigations to disrupt terrorist activity.

During the reporting period, 16 Pakistani law enforcement members successfully

completed the Asian Regional Law Enforcement Program conducted in Melbourne. An additional positive aspect of this course has been the continuation of networking opportunities by attendees.

Training has also been provided through attendance at the International Management of Serious Crime Program, Money Laundering Investigation Programs and the Regional Executive Leadership Program. All programs were conducted at the Jakarta Centre for Law Enforcement Cooperation.

During this period, the Chemical, Biological, Radiological and Nuclear program was also conducted at the Jakarta Centre for Law Enforcement Cooperation, Semarang in Indonesia. Participants were enthusiastic as this was the first opportunity Pakistan law enforcement and civil agencies have had to jointly address the prospect of a Chemical Biological Radiological and Nuclear situation. Training has been provided by the provision of computer forensics training to 15 members from Pakistani law enforcement agencies.

In a joint initiative with the United States Federal Bureau of Investigation, Royal Canadian Mounted Police and United Kingdom Metropolitan Police, the AFP significantly contributed to the establishment of an Explosives Analysis Unit at the Federal Investigation Agency. This unit is now capable of analysing the ingredients of explosive devices both pre- and post-blast.

The AFP has also assisted the Federal Investigation Agency by providing assistance to the Immigration Intelligence Unit. This unit was established to better coordinate the investigative efforts in relation to the transnational crime of people smuggling. Another initiative has been the provision of specialist equipment

to the Federal Investigation Agency Bomb Unit Team which will enhance the investigative capability in counter-terrorism investigations.

Negotiations are continuing to consider a re-focus of training and equipment for several provincial forensic agencies including Punjab, Sindh, Baluchistan and Khyber Pakhtoonkwha.

In support of enhancing Pakistani transnational crime capability with a view to conducting joint and multi-agency investigations to disrupt terrorist activity, the AFP deployed a Counter Terrorism Liaison Officer, People Smuggling Liaison Officer, People Smuggling Intelligence Officer and an additional generalist liaison officer to Pakistan. Progress continues to be made with a number of Pakistani law enforcement agencies including in the delivery of training programs.

Component 1.6.5: Enhanced AFP and Regional Capability to Combat People Smuggling

This measure aims to counter the ongoing increase in people transiting through Asia by further enhancing the AFP's capacity in Australia and the region, as well as addressing additional resource or capability gaps in partner law enforcement agencies in transit countries.

Australia relies heavily on the goodwill and cooperation of Indonesian authorities to detect and prevent people smuggling ventures launching from Indonesia. The AFP has been providing the INP with support to penetrate the increasingly secure and sophisticated people smuggling operations being conducted in Indonesia.

Regional cooperation— Cooperation of the AFP with the Indonesian National Police

The AFP shares a strong and productive relationship with the Indonesia National Police with a long history of working in partnership across all forms of transnational crime and in particular in combating people smuggling ventures.

In September 2009, the Indonesian National Police Chief of Police (Kapolri) approved the establishment of a People Smuggling Taskforce, known as SATGAS, to combat people smuggling in Indonesia. The SATGAS comprises 145 officers located in 12 key provinces within Indonesia.

The AFP continues to provide specialist training and equipment to the Indonesia National Police in the form of surveillance and field kits, motor vehicles, computer equipment and office fit-outs for the newly established SATGAS teams. The AFP has also delivered training programs for 45 SATGAS members and delivered People Smuggling Investigations Programs to Indonesian National Police officers.

Enhancing AFP and Regional Capacity

The AFP has received funding of \$48.4 million over four years to enhance the AFP's capability in combating people smuggling by increasing investigator and intelligence resources. Fourteen additional positions have been established in the AFP People Smuggling Strike Team including financial analysts, investigators and intelligence analysts.

The AFP has deployed AFP People Smuggling Liaison and Intelligence Officers in Pakistan, Thailand, Malaysia and Sri Lanka and additional resources to Indonesia. These additional positions are attached to current AFP International Posts and are enhancing the AFP's capability to

liaise and work in partnership with local law enforcement agencies to specifically target people involved in organising, facilitating and enabling people smuggling ventures.

Key Achievements

- Between 1 July 2009 and 30 June 2010, the AFP arrested 118 crew members for offences under the *Migration Act 1958* (Cth). These offences attract a maximum penalty of 20 years imprisonment.
- Three Australian-based alleged people smuggling organisers were arrested and charged with offences under the *Migration Act 1958* (Cth).
- Between 1 July 2009 and 30 June 2010, 28 people were convicted in Australia in relation to people smuggling offences.
- A people smuggling organiser was extradited from Indonesia to Australia in relation to 21 offences contrary to sections 232A and 233 of the *Migration Act 1958* (Cth) for allegedly smuggling approximately 911 persons from Indonesia to Australia on board four separate vessels. This organiser was the first person to be extradited from Indonesia on people smuggling charges. The trial is scheduled to commence in Perth in July 2010.
- The AFP currently has five extradition matters in progress.
- As at 30 June 2010, the Indonesian National Police have disrupted 160 potential people smuggling ventures and disrupted over 3,900 foreign nationals intending to travel to Australia illegally.



04

Corporate Services

Australian Federal Police / **Annual Report 2009-10**



Corporate Services

Chief of Staff

The Chief of Staff function provides support to the Commissioner, the three Deputy Commissioners, the Chief Operating Officer and manages a number of AFP governance and executive services. The Chief of Staff is directly responsible to the AFP Commissioner.

Following the creation of a third Deputy Commissioner role in 2010 and the creation of the Operations Support Portfolio, Ministerial Liaison, National Media and National Marketing moved from the Chief of Staff portfolio to Operations Support.

The Chief of Staff portfolio now consists of direct support to the Commissioner's Office, Recognition and Ceremonial and Executive Services for the Commissioner's Office.

In July 2009, the Chief of Staff portfolio assisted with the hosting of the 12th annual meeting of the Asia Pacific Group on Money Laundering in Brisbane, the hosting of the 2009 Strategic Alliance Group Principals meeting and managed the Strategic Alliance Group Secretariat.

The purpose of the Asia Pacific Group on Money Laundering meeting was to discuss the Group's strategic direction and work program, its structure and operation, technical assistance and training issues for Asia Pacific Group members, emerging and evolving money laundering and terrorist financing methods and

counter-measures and other issues and developments of significance to members and observers.

The Group's next meeting will be in Singapore in July 2010.

The then AFP Commissioner Mick Keelty hosted and chaired the 4th Strategic Alliance Group Principals Meeting in Cairns during 2009 and Commissioner Negus hosted and chaired the 5th meeting in May 2010, also in Cairns.

The primary strategic objective of the Strategic Alliance Group is to enhance inter-agency relationships and collaboration to maximise the impact of law enforcement on serious organised crime around the world.

Established in June 2006, the Strategic Alliance Group includes the AFP, the United States Federal Bureau of Investigation, the United Kingdom Serious Organised Crime Agency, New Zealand Police, the United States Drugs Enforcement Administration, the United States Immigration and Customs Enforcement, the Royal Canadian Mounted Police and the Australian Crime Commission (the Commission was accepted as a new member at the 2009 meeting).

The meeting in May 2010 addressed matters of crucial importance such as the future impact of Afghanistan, China and India, the effects of the global economic downturn on serious organised crime and climate change.

Mutual interests were also discussed during the meeting, including the possible future impact of people smuggling, the advances in cyber crime, global money laundering syndicates, international intelligence- and information-sharing capabilities and the progress of a secure Information Technology platform that will enable Group agencies to communicate safely electronically.

The Royal Canadian Mounted Police will host the next Principals Meeting in Canada in 2011.

Recognition and Ceremonial

Recognition and Ceremonial coordinates the formal recognition processes for the AFP. This includes facilitating the AFP Internal Awards Framework, any awards granted under the Australian Honours system, and awards conferred through other bodies.

Recognition and Ceremonial is also responsible for coordinating all AFP ceremonial events and any recognition project that highlights the AFP's achievements and provides secretariat functions for the following groups:

- National Awards and Recognition Committee
- National Police Memorial Coordination Committee
- National Uniform Committee
- Former Members' Network.

Recognition

AFP members may be recognised through the AFP Internal Awards Framework, the Australian Honours system, the Australian Capital Territory Government Honours and Awards, and by other Policing jurisdictions and foreign governments.

Under the Internal Awards Framework, the efforts of AFP members, who sometimes have to work under unique conditions to meet operational outcomes, can also be recognised by the organisation. Nominations are submitted to and considered by the National Awards and Recognition Committee and submitted to the Commissioner for approval.

The Recognition team also processes and arranges for current and former AFP members and for members of partner agencies to be presented with honours and awards bestowed on them by this and other policing jurisdictions.

During 2009-10 successful nominees were announced in the Foundation Day Honours List on 19 October 2009 and the Commissioner's Honours List on 2 April 2010.

Awards

The National Awards and Recognition Committee considered 136 nominations during 2009-10 and of those, 72 AFP employees and members of associated organisations were recognised with an award.

The Recognition team also recommended 262 AFP employees for consideration under the Australian Honours system, the Australian Capital Territory Government Honours and Awards and other external recognition providers during the reporting period, processed AFP Service Awards for 452 current and former employees and facilitated the dispatch of 1,106 awards for presentation to members.

Other Recognition Projects

In 2009-10 the Recognition team moved away from major presentation ceremonies to smaller and more frequent presentations at team musters, the

last large presentation taking place in Melbourne in July 2009.

The Recognition team also worked with the Department of Prime Minister and Cabinet on the introduction of the new National Police Service Medal.

A review of the recognition processes for AFP employees under the Australian Honours system and the AFP Internal Awards Framework began in May 2010 with outcomes expected early in the new financial year.

Ceremonial

The Ceremonial team coordinates all AFP ceremonial events and provides advice on ceremonial and protocol governance. It is supported in ceremonial activities by the Ceremonial and Protocol Officer Network, the AFP Ceremonial Mounted Cadre and the AFP Pipes and Drums.



Governor-General Her Excellency Ms Quentin Bryce and Commissioner Tony Negus review the AFP and New South Wales Mounted Police at the National Police Remembrance Day service.

Ceremonial and Protocol Officer Network

The Ceremonial and Protocol Officer Network was established to coordinate the training for and the execution of police ceremonial activities throughout Australia and in the AFP's areas of influence internationally.

The network maintains a pool of trained personnel from AFP and other Australian policing jurisdictions who provide professional and dignified service in the ceremonial and protocol fields for policing in Australia.

In 2009-10 membership of the Network grew to more than 121 for AFP members and to 39 for other Australian policing jurisdictions and the non-AFP members of the AFP Pipes and Drums. These numbers are expected to grow in the future due to the regionally-based training model recently adopted by the Ceremonial and Protocol Officer Network.

AFP Ceremonial Mounted Cadre

The AFP Ceremonial Mounted Cadre provides ceremonial support in the form of honour guards and escorts at official and State ceremonies, as well as being a major asset in community-relation activities for the organisation.

During 2009-10 the Cadre's operation was reviewed and streamlined, resulting in more efficient and economic practices for the future. It is now managed by two members of the Ceremonial team who have extensive ceremonial and equestrian experience and consists of five accredited part-time riders who help train the horses and who can be called on for events.

In 2009-10 the Cadre provided support for National Police Remembrance Day, Australia Day celebrations at Commonwealth Park in Canberra, the Government House Open Day, a State funeral, a Police funeral, the United Nations Peacekeeping Memorial dedication to NSW Police, United Nations Day, Anzac Day, Beersheba Day, at Diplomatic and Protection assignments, a Zone 16 Pony Club Camp visit, school visits and AFP-supported charity events.

AFP Pipes and Drums

Selected members of the Canberra City Pipes and Drums volunteer to perform at a range of AFP-supported events and ceremonies as the AFP Pipes and Drums. This arrangement is governed by a service agreement.

During 2009-10 AFP Pipes and Drums performed at the National Police Remembrance Day service, the AFP's 30th Anniversary Open Day, a State funeral in the Australian Capital Territory and provided individual pipers for designated serving and former police members' funerals and AFP graduations.

The growing reputation of the AFP Pipes and Drums resulted in an appearance at the Royal Edinburgh Military Tattoo in August 2009 and again in Sydney when the event played there in February 2010.

Future plans include an appearance at the Basel Tattoo in July 2011 and the Royal Edinburgh Military Tattoo again in 2013. AFP Pipes and Drums members attend international performances at their own expense.



The reputation of the AFP Pipes and Drums continued to grow in 2009-10 with the band appearing by invitation at the 2009 Edinburgh Military Tattoo.

Significant Achievements

- Coordinating the National Police Remembrance Day service at the National Police Memorial.
- Coordinating four police funerals and providing support for several funerals for former AFP members.
- Supporting a State funeral for James Harold Peard through the provision of police ceremonial members and assets.
- Supporting official visits to the Australian Capital Territory and the National Police Memorial for visiting international law enforcement agencies.
- Providing ceremonial training for new and existing members of the Ceremonial and Protocol Officer Network.
- Attending interstate policing-related ceremonial events.
- Supporting nationally significant ceremonial events such as Anzac Day by providing ceremonial members and assets.
- Coordinating a number of public awareness activities for the AFP such as school visits, police station open days and attendance at the Royal Canberra Show.

Customs, Traditions and Administration

The Customs, Traditions and Administration team maintains the Former Members Network, manages the *In The Line of Duty* travelling exhibition, progressively collates the AFP's history, and provides administrative and secretariat support to selected Chief of Staff portfolio activities.

In October 2009 the team also published on the AFP's website the comprehensive historical work *Australian Federal Police: The First Thirty Years* and publishes historical snippets on the AFP's internal website.

Former Members' Network

The Former Members' Network was established in late 2007 to enable ready contact with former employees who possess skills the AFP may need to call on. It is also used to notify former members of a range of social, professional and practical issues. At the end of June 2010 the network's membership had grown to more than 800.

In The Line of Duty Exhibition

On behalf of all Australian policing jurisdictions the AFP manages the *In The Line of Duty* travelling exhibition that presents a timeline from 1788 until the present day of achievements by policing in Australia.

Since being launched at Canberra's Old Parliament House in 2006, the exhibition has been hosted by all mainland policing jurisdictions and spent most of 2009 at the Victoria Police Museum.

The exhibition also promotes National Police Remembrance Day and the memorial service held each year at the National Police Memorial in Kings Park, Canberra on 29 September.

It is currently being refurbished for future displays.

Chief Operating Officer

The Chief Operating Officer has oversight of those AFP areas concerned with corporate governance and accountability.

The function includes:

Chief Financial Officer

- Business Services
- Financial Controller
- Commercial Support

Chief Information Officer

- Information and Communications Technology
- Chief Technology Officer
- Business Engagement
- ICT Support
- ICT Applications
- ICT Infrastructure

Human Resources

- Human Resource Strategies
- Learning and Development
- Medical Services
- Wellbeing Services
- Professional Standards

Policy and Governance

- Internal Audit and Business Analysis
- Security
- Policy
- Legal

One AFP One Corporate

The One AFP One Corporate project was identified as one of the seven key strategic priorities for the AFP and aimed to implement agreed recommendations from a number of reviews associated with the delivery of the range of corporate services within the AFP. Specifically, the project sought to deliver improved corporate service functionality and levels of service and to have clearly defined accountabilities for the corporate functions. This has been achieved in this reporting period and cost and efficiency savings identified through the project have been able to be re-invested into high priority operational activities of the AFP.

The effectiveness of the One AFP One Corporate approach has resulted in it being translated from project status to a continuing underpinning approach in the delivery of corporate services in the

AFP. Clarity has been achieved on who delivers corporate services, where they are delivered and how they are delivered. Clear lines of responsibility for delivery of staffing and outcomes have been established, along with a broadly imprinted requirement for singular corporate processes.

Chief Financial Officer

Business Services

The Business Services Group provides a range of support services that includes shared services (payroll, accounts processing and SAP financial and human resources systems administration), business improvement and related capability development, criminal records checks and security advisory services.

The Business Services Group is also developing a Cost Attribution Model to better inform senior Executive planning and decision-making processes and to provide greater transparency and a better understanding of resource allocation across the AFP. Corporate and operational support services have already been addressed by the model and operational areas will be addressed in the 2010-11 financial year.

The **SAP Administration** and **Financial Processing** teams have evolved during 2009-10 due to new technology and processes being introduced across the AFP that have streamlined previously manual processes. The Financial Processing teams are moving towards a monitoring and mentoring role too as the AFP implements an online and workflow purchase-to-pay process that will improve the compliance, visibility and timeliness associated with the AFP's purchases.

The SAP business improvement program (**Program Hummer**) continues to create a more contemporary model of corporate

services delivery to the AFP. In 2009-10 the program moved into its fifth phase, providing additional corporate functionality in attendance management, asset transfers and disposals, online training applications and for automated invoice processing. Many of these improvements were in support of the "One AFP One Corporate" initiative.

During 2009-10 the **Criminal Records** team continued to provide access to criminal record information for authorised purposes, conducting 450,000 National Police checks for AFP clients, a further 50,000 requests from CrimTrac and other policing jurisdictions to service their own clients, and processed 51,000 requests for prosecution and law enforcement purposes from Australian Capital Territory and Commonwealth investigational units and courts.

The **Security Risk Management Consultancy** also provided advisory services to numerous government bodies during the reporting period, including the Department of Prime Minister and Cabinet and the Department of Climate Change.

Financial Controller

The Financial Controller Branch ensures the ongoing financial health of the AFP by providing a sound financial management framework and financial services, including effective decision-making support.

The Branch specifically contributes to:

- Financial Services, including the tax, assets, governance, financial reporting and treasury teams
- Operational Budgets and Reporting Services, including preparation of internal financial management reports with analysis and forecasts

- Strategic Budgets and Reporting Services, including the development and maintenance of the AFP's four-year operating budget, the development and maintenance of capital budgets, external budgets and new policy proposal preparation and assistance.

Financial Performance

The AFP's \$1,361.5 million Departmental operating revenue budget for 2009-10 was comprised of \$1,111.8 million in government appropriation, \$132 million from the Australian Capital Territory Government for policing services and \$117.6 million in other externally-generated revenue. The AFP also received Administered operating revenue of \$33.7 million in 2009-10.

In the 2009-10 financial year, the AFP reported a departmental operating surplus of \$4.2 million, after returning \$4.6 million in appropriations to government.

Audited financial statements showing the AFP's financial position appear in the Financial Statements section of this report.

Financial Services

Financial Services provides a range of support in financial policy, financial governance, asset management, treasury, taxation compliance and external financial reporting.

Major achievements during the 2009-10 reporting period included the restructure and simplification of financial delegations and the Commissioner's Order, improved asset management through the implementation of the automated transfer and disposal of assets, continued enhancement of taxation management, ongoing support to AFP members deployed to international missions, negotiating a retrospective tax exemption ruling for members deployed in Cyprus and the provision of ongoing

process improvements to fringe benefits tax data capture and reporting.

Budgets and Reporting

The Budgets and Reporting area provides support and advice on budget and reporting issues and develops and maintains the AFP's external budget framework and internal funding allocations to business units.

With the assistance of business unit management accountants, Budgets and Reporting also provides detailed analysis, forecasting and internal reporting through the Finance Committee to help business areas make well-informed financial decisions and supports the AFP's involvement in government budget processes.

Significant Achievements

- Supported the Performance and Budget Monitoring Committee while it was actively engaged in the AFP's internal budget and performance management processes.
- Provided costing support and advice for the development of a number of new policy proposals, including improvements in the costing template.
- Refined a contemporary budget and reporting management system to improve budget development, financial management and forecasting capabilities.
- Supported the government's reforms under **Operation Sunlight**, which were designed to enhance budget transparency and accountability.
- Assisted with the introduction of risk management-based prioritisation and resource allocation for capital funded projects.
- Improved financial reporting to Cost Centre managers.

Commercial Support

Commercial Support oversees the AFP's property, procurement and contracting functions. It incorporates two business areas—Building and Accommodation and National Procurement and Contracts.

Building and Accommodation

Building and Accommodation aims to optimise the AFP's existing property portfolio which includes more than 200 domestic and international sites. It ensures that AFP properties are effectively maintained and day-to-day operating requirements are managed professionally and responsively. The unit also manages tactical workspace issues resulting from moves and organisational changes and longer-term transitional changes arising from site rationalisation.



One of two courtyards found inside the perimeter of the AFP's new Headquarters.

Building and Accommodation is responsible for major and minor capital works and administration of the AFP's Property Operating Expense Budget.

National Headquarters

During the 2009–10 year the AFP completed its relocation to a new national headquarters at the Edmund Barton Building within the Parliamentary precinct.

A major building refurbishment, including the replacement and upgrade of base building services, was completed by the owner of the AFP's new National Headquarters on 14 August 2009. The AFP then began its fit-out works on the site and throughout May and June 2010 relocated to its new National Headquarters.

The consolidation to its new headquarters involved the relocation of personnel and functions from 10 separate sites.

Australian Institute of Police Management

On 9 July 2009, the Federal Minister for Environment Protection, Heritage and the Arts Peter Garrett granted approval for a project for the redevelopment of the Australian Institute of Police Management, with conditions, under the *Environmental Protection and Biodiversity Conservation Act 1999*. Commonwealth approval followed State approval, which was granted on 20 March 2009.

The redevelopment project will provide an enhanced training facility, maintain and ensure the productive use of heritage buildings and preserve the habitat for resident populations of wildlife.

Construction works at the Australian Institute of Police Management site in Manly began in March 2010 and the site should be completed during the first half of 2011.

Aviation Security Accommodation

The AFP is managing a project to provide long-term aviation security accommodation in Australia's 11 designated airports. Purpose-built stand-alone facilities to accommodate the AFP's canine operations will also be provided.

Following a public tender process, the AFP has appointed a Project Manager who will finalise the fit-out design, manage construction and assist with the transition into the new facilities. Most of the new facilities are expected to be progressively occupied throughout 2011 and 2012.

International Network Site Upgrade

The AFP completed minor refurbishment and security works at several of its International Network offices:

- Columbo
- Washington
- Dubai
- Pretoria
- Islamabad
- Port Moresby
- Port Vila
- Dhaka.

Procurement and Contracts Management

The National Procurement and Contracts team provides a central point of contact for advice and assistance on tendering and contract management. The team is also responsible for carrying out and overseeing all major procurement.

In 2009-10, the AFP conducted a number of major tender processes for:

- major contracts for building works and construction services in support of the AFP's capital projects
- furniture items and service delivery associated with the new AFP headquarters and other AFP sites
- removalist services for its new headquarters
- switchboard operator services
- secure laser printers and multifunction devices

- cleaning in the AFP's Australian Capital Territory, New South Wales and Queensland properties
- a panel of providers for conference services and facilities
- international capacity building services.

The AFP Commissioner's Financial Instructions are regularly reviewed and updated to ensure the AFP's procurement framework is consistent with the Commonwealth Procurement Guidelines. In addition, the AFP has a National Guideline on Procurement and Contracting and standard tendering and contracting documentation that provides practical assistance to business areas undertaking procurement.

This guideline was updated in November 2009 to incorporate recommendations from the Australian National Audit Office's report into Agencies' Contract Management. The standard tendering and contracting documents were also updated to incorporate changes in government policy such as the Fair Work Principles.

The National Procurement and Contracts team also continued to provide regular internal presentations and training on procurement and contract management during the reporting period.

The AFP uses the AusTender system to publish its annual procurement plan, to advertise business opportunities and to report procurement contracts, including standing offer arrangements.

Information on the value of contracts, including consultancies, is available at **www.tenders.gov.au**. The AFP regularly reviews its annual procurement plan and issued four updates during 2009-10.

The AFP also publishes the Senate Order on Departmental and Agency Contracts on

Table H: Expenditure on consultants for the three most recent financial years

	2007-08	2008-09	2009-10
New contracts let	66	63	63
Total Expenditure (new and ongoing contracts)	\$3,040,572	\$2,758,307	\$4,994,551

its website. In 2009-10 the AFP did not let any contracts of \$100,000 or more which did not provide for the Auditor-General to have access to the contractor's premises.

The AFP also participated in Department of Finance and Deregulation Coordinated Procurement activities during the reporting period. In particular, the AFP sat on the Travel Services Project Management Committee to assist with the development of new whole-of-government travel arrangements.

Consultancies

During 2009-10, 63 new consultancy contracts were entered into. The total actual expenditure on new consultancy contracts in 2009-10 was \$3,632,490. In addition, 40 ongoing consultancy contracts were active in 2009-10, involving a total actual expenditure of \$1,362,061.

Information on the value of contracts and consultancies is available on the AusTender website.

Exempt Contracts

During 2009-10 the AFP did not publish on AusTender the details of 118 contracts (including one consultancy contract) with a total value of \$42,412,564 because their details would disclose exempt matters under the *Freedom of Information Act 1982*.

Chief Information Officer

Information and Communications Technology

Information and Communications Technology's primary responsibility is delivering an integrated and secure information and communications system in support of AFP business.

Throughout the reporting period, Information and Communications Technology was instrumental in delivering technological solutions and operational capability in support of the AFP's Intelligence Strategic Program.

The AFP's changing operational tempo, and its recognition as a National Security Agency and member of the Australian Intelligence community, required the agency to operate within highly-classified environments, making the delivery of highly-classified systems to improve the AFP's Information and Communications Technology connectivity and interoperability within the National Security Information environment a high priority during 2009-10.

Information and Communications Technology also underwent a restructure that resulted in several key reforms during 2009-10:

- Information Services was renamed Information and Communications Technology, to more fully reflect the responsibilities of the team, and to reflect contemporary industry terminology
- the AFP's first Chief Technology Officer was appointed

- the function was also realigned into four branches, Chief Technology Officer, Business Engagement, Information and Communications Technology Applications, and Information and Communications Technology Infrastructure.

Significant Achievements

- Preparation for, and relocation to the new AFP Headquarters. The desktop refresh project alone delivered over 4,500 new desktops and laptops to the new building in Canberra, to regional offices and to missions overseas.
- The Business Engagement Branch was developed to improve engagement with other AFP business areas, external agencies and vendors.
- The Chief Technology Officer Branch was created and the Enterprise Architecture and Design and Emerging Technologies offices were established.
- Change and Release Management, based on the IT Infrastructure Library (ITIL®) was implemented and Spectrum, Tranche 1 was completed.
- Green Information and Communications Technology initiatives were implemented across the organisation to reduce the AFP's carbon footprint.
- The first round of Gershon Review efficiency dividends was also successfully implemented.

Chief Technology Officer

To ensure the AFP was recognised as a world leader in information and communications technology management and use, the Chief Technology Officer Branch was established to provide new and innovative capabilities in support of AFP operations during the second half of 2009-10.

The Branch consists of:

- the Enterprise Architecture and Design Office, which provides the business-focused delivery of information technology, in particular under the Spectrum Program, to map the police environment and to ensure the AFP has the best fit of technology to capability in support of operational needs. The Office also provides a range of architecture, design and specialist information communications technology disciplines and develops and implements enterprise architecture strategies, processes and standards that complement the AFP's strategic direction.
- Emerging Technologies, established in April 2010 has, as its primary focus, the development, identification and examination of new and emerging technologies to support operational activities.

Significant Branch activities during the reporting period included developing a new tools suite as part of the Service Management Improvement Project, developing collaborative partnering arrangements with vendors and service providers, establishing Capacity and Planning Support by amalgamating Services Assurance and the Solution Centre, defining the AFP business "future state" and identifying the elements of that future state to be delivered by the Spectrum Program, and developing a high-level design for delivering improved communications to AFP personnel in Afghanistan.

Business Engagement

As part of Information and Communications Technology's organisational restructure, Business Engagement was established to professionalise the delivery of information communications technology and to develop strategic relationships with other AFP business areas and other government and non-government agencies, policing partners, vendors and jurisdictions. As part of this client-focused delivery, the Support Centre provides a single point of contact for all information communications technology-related requests in the AFP.

The Project Management Office supported a variety of programs and projects with information communications technology components to ensure on-time and on-budget delivery, that the delivery of technology supported AFP business in the way it was envisaged and also mentored and assisted other areas of the AFP to develop project management capability.

For managing projects, the Project Management Office uses industry-recognised frameworks and programs such as PRINCE2 and Managing Successful Programs.

Business Process and Analysis provided business process re-engineering and improvement services across the AFP during 2009-10 with a key focus being information communications technology projects. Many of the process improvements undertaken throughout the 2009-10 financial year have delivered improved business and operational outcomes across a number of AFP portfolios.

Systems Adoption delivered information communications technology systems training and user-centred design.

Significant activities for Business Engagement during the reporting period were:

- Resolving over 60 per cent of issues on the first call for approximately 100,000 requests.
- Moved to a 24-hour seven-days-a-week response service to provide better support to operational activities.
- Continued to provide information communications technology advice to the Spectrum Program, the new AFP headquarters project, "One AFP, One Corporate" and the Beale Review.
- Contributed to the Business Process Review Project endorsed by the Senior Leaders Group which is delivering operational process improvements, including the recently initiated Information Reports Improvements Project.
- Delivered multiple process, reporting and system enhancements under the Spectrum Program.
- Developed the Geospatial Strategy Roadmap and piloted capability in operational areas.
- Continued to provide project management expertise and support for many AFP projects and programs.
- Extended and embedded project management skills and services within the broader AFP business areas by providing advice, support and mentoring.

Information Communications Technology Applications

Information Communications Technology Applications developed, tested, integrated, supported and maintained AFP applications developed in-house and commercial off-the-shelf business applications.

To support AFP management, business operations and administration, Applications Development procured, developed, installed, integrated maintained and supported AFP information communications technology business systems and Geospatial and Reporting Services provided a range of enterprise reporting, analysis and data warehouse services.

SAP Development provided expertise to support and enhance the enterprise application within the AFP, including business critical systems such as Human Resources, Payroll and Financial Management.

Testing and Quality Assurance provided quality-testing services for changes to AFP systems to ensure that robust, business-derived systems were delivered to the AFP.

Significant Achievements

- Continued to provide information communications technology application expertise in support of Program Hummer, the AFP's Financial and Human Resource management initiative.
- Delivery of the System Test Environment, four environments that provide a significant increase in the capacity of the AFP to rigorously test the applications and systems deployed to end-users.

- Delivery of the AFP Test Framework established guidelines, procedures and processes to support the centralised infrastructure for testing in the AFP.
- Continued to provide Microsoft SharePoint across the AFP.
- Continued to provide high-level technical support to the Northern Territory Police and other government agencies.

Information Communications Technology Infrastructure

Information Communications Technology Infrastructure provided a range of procurement, development, installation and maintenance services during 2009-10 in support of AFP information communications technology infrastructure and facilities and, with Facilities Management, provided and maintained the underlying technology that ensured AFP information and processing systems operated in a secure and sustainable environment.

Desktop Support managed the AFP's information communications technology desktop environment, providing desktop services and support, including support for AFPNET and other infrastructure, and provided advice on a daily basis on general information communications technology issues.

Working in partnership with other AFP portfolios, the Midrange Systems and Database and Storage teams provided hosting, operational support, implementation and systems-management for the AFP's major business systems while Network Services managed and supported the secure data communications infrastructure that provides access to and connection between AFP corporate business systems and corporate Local Area Networks.



The information and computer technology roll-out for the new headquarters was just one of many major achievements during 2009-10.

Network Services also manages the AFP's virtual private telephone network, installing, managing and maintaining the AFP networks that provide network services to AFP external partner agencies such as CrimTrac and the Australian Crime Commission.

Significant Achievements

- Delivered improved video conferencing capability across the AFP.
- Wide area network accelerator implementation to improve the end-user experience and fully utilise AFP network bandwidth.
- Delivered initiatives under the Carrier Core Project, improving information communications technology's ability to respond to operational requests.
- Evaluated and implemented new data storage technologies to provide more scalable regional data storage solutions with better data protection.
- Continued to support AFPNET and all systems in production.

Human Resources

The mission of the AFP human resources function is to work collaboratively to provide responsive, contemporary people solutions to enable the AFP to deliver dynamic and effective law enforcement. Under the philosophy of "One AFP, One

Corporate" Human Resources delivered and promoted timely, compelling and effective human resource policies, strategies and initiatives to support AFP business needs.

The Human Resources function comprises:

- Human Resource Strategies
- Learning and Development
- Medical Services
- Wellbeing Services
- Professional Standards

Human Resource Strategies

Strategic Human Resources Framework

In 2009-10 AFP established a strategic HR Framework as the basis to deliver on recruitment, retention and capability requirements arising from reviews including the Federal Audit of Police Capabilities by Roger Beale (the Beale Review).

During 2009-10 the AFP established the *AFP People Plan*, a strategic HR framework for the AFP that will provide an overarching vision for its people and a set of guiding principles to drive human resource activity in the organisation.

Significant Achievements

Workforce Planning

Significant progress was made on a two year projected AFP Workforce Plan (2010-12). The workforce plan is based on an appropriate workforce mix for the AFP into the future including critical skills requirements of the organisation. The plan focuses on the need for a target of a 50 per cent gender mix for the AFP workforce as well as a higher number of indigenous Australians and people from culturally and linguistically diverse communities. The plan will be operational by October 2010.

The AFP use a number of employment frameworks such as Collective Agreements, Determinations, Common Law Contracts and Australian Workplace Agreements. This gives the organisation the flexibility to remunerate employees appropriately and to take into account the outside market and the unique requirements of a given role, such as duties, location and conditions.

Recruitment

The AFP workforce planning process and market research conducted by TNS Social Research has formed the basis for an AFP Recruitment Strategy which will be implemented through a phased approach. The recruitment strategy, aligned with the workforce planning process, is aimed at strengthening the AFP Brand and promoting the AFP more consistently to women, indigenous Australians and culturally and linguistically diverse groups.

In 2009-10 the AFP committed to expanding its recruitment targets to meet future requirements of the organisation. This included a consistent effort to expand the workforce from 6,332 on 30 June 2009 to an agreed 6,700 by 30 June 2010. At 30 June 2010 the AFP workforce amounted to 6,715 people, 4,255 sworn (this includes Protective Service Officers) and 2,460 unsworn.

The AFP e-recruitment system was enhanced over the twelve month period to enable the AFP to cope with a significant additional recruitment workload. Enhancements included increased efficiencies in online job creation and approvals reducing the timeframes on the recruitment process, including the design and release of the Graduate and Airport Uniformed Policing programs. The development and release of the online exit survey, capturing trends on

exiting employees, further enhanced the monitoring and reporting capabilities of the e-recruitment system.

Entry Level Programs

The inaugural Graduate program, initiated with an initial cohort of six participants, was successfully completed. The 2010 Graduate program which began in February 2010 included a further 15 graduates in target disciplines.

In keeping with the requirement to recruit more indigenous Australians to the AFP action was taken to recruit two Indigenous graduates and Entry Level employees under the Australian Public Service Commission's "Pathways" Program. The delivery of a culturally appropriate mentoring program to support indigenous employees was successfully implemented.

Workplace Diversity

Understanding different cultures and enhancing awareness of diversity is a priority for the AFP. As part of this strong commitment, a Cultural Diversity Team has been established within the Human Resources Strategies function that has the specific skills and expertise to design, develop and implement workforce diversity initiatives in consultation with AFP line areas. In addition, workforce planning and recruitment strategies are targeted at ensuring that the AFP has a diverse workforce that better reflects the broader community.

Diversity Audit

In 2009, the AFP Commissioned the Diversity Council of Australia to conduct a "diversity audit" of its working environment and to suggest improvements in line with better practice. The report identified five key strengths of the AFP in relation to diversity—leadership

and commitment, targeting indigenous employment, establishment of employee networking groups, formal support structures through the confidant network and terms and conditions of employment which were determined as fair and equitable.

A cultural diversity strategy (and plan with related performance indicators) is being developed in response to the audit. The strategy will focus on all groups including women, indigenous groups and culturally and linguistically diverse groups. It will build on a range of initiatives that are already in place or being developed.

Cultural Diversity Initiatives

Key achievements in 2009-10 were:

- The AFP was included as a foundation member for the Australian Inaugural Pride in Diversity program. The program has been set up in Australia as a partnership between the AIDS Council of Australia, the Diversity Council of Australia, Stonewall UK and a group of foundation members which will give the AFP the support and resources required to create leading edge diversity practice.
- A mandated AFP cultural awareness program was designed and developed. Through this program it is envisaged that AFP staff will develop an enhanced understanding of cultural sensitivities and a deeper understanding of diverse communities and cultures.
- AFP People Networks are voluntary employee groups and include the Gay and Lesbian Liaison Officer Network, the Mulunggang Indigenous Officer's Network, and the Canberra Women's Network. The People Networks are evolving to more closely reflect the AFP's strategic direction and undertake a range of activities aimed at delivering on their respective mandates to better

inform and supplement the AFP's whole-of-organisation diversity strategy.

- The AFP became the first agency to sign the Australian Employment Covenant which commits the AFP to recruiting 40 (or 3 per cent) Indigenous staff each year for the next five years.
- In terms of broader leadership on indigenous issues within the Australian Attorney-General's portfolio, the AFP became the inaugural Chair in 2009-10 of the Attorney-General's Portfolio Reconciliation Network which meets every month to discuss and implement relevant initiatives. The AFP has consistently promoted and sponsored events and awards as part of National Aboriginal and Islander Day observances, among them a gala ball held in the Australian Capital Territory attended by senior AFP executives.
- The AFP has continued its commitment to the Contemporary and Traditional Aboriginal Leadership and Conflict Resolution training project in the Northern Territory known as the Mawul Rom Program.
- Several AFP State Offices through community liaison teams continue to develop closer networks with "at risk" and culturally diverse communities. The end outcome is to generate recruits from these communities to the AFP.
- To further strengthen the AFP's commitment to cultural diversity, a prayer room forms part of the new headquarters.
- Human Resources Strategies appointed a Gender Project Officer.
- The AFP facilitated six "winning that job" workshops aimed at women in the Band 3 to 5 roles as a development and retention initiative, but open to a broader range of levels.

- Broader initiatives targeted at other AFP staff include the delivery of the coaching program for maternity leave returnees. This program is aimed at assisting employee reintegration and retention.

Remuneration of Senior Executives

In the first quarter of 2010, the AFP established a Remuneration Committee to oversight remuneration arrangements and conditions of service for senior executives within the AFP. The Committee was set up to provide advice to the Commissioner on remuneration decisions relating to senior executives. The Committee is a key Human Resources governance mechanism and continues to provide consistency and transparency of remuneration decisions.

Executive Development

As part of the AFP's commitment to leadership and succession planning a dedicated team has been established within the Human Resources Strategies function to deliver targeted development specifically for SES and Band 9 personnel.

Achievements in 2009-10 included:

- Designing and implementing 360-degree feedback mechanisms for SES and Band 9 personnel. The SES tool has a specific emotional intelligence focus.
- Establishing a panel of external coaches to provide executive coaching and mentoring services.
- Encouraging a structured approach to coaching and mentoring of Band 9 personnel through the allocation of SES members to relevant staff as part of this strategy.
- Developing a consistent approach to succession planning of SES and Band 9 personnel to inform further development and "readiness" for more senior roles in the organisation.
- Ensuring a structured approach to assigning SES staff to attend high profile external leadership development programs and initiating the delivery of the Company Directors Course to all SES as part of their core development.
- Providing access of SES to the Deloitte Leadership Academy—a website and tool that provides access to leading-edge knowledge and development relating to leadership.

Confidant Network

The Confidant Network is a support mechanism established to provide information, options and support to AFP staff who are dealing with inappropriate or unethical behaviour in their work environment.

There are over 200 Confidants located throughout Australia and overseas who assist appointees in a confidential environment.



The Confidant Network provides options and support to AFP personnel who report on behaviour that may breach AFP core values.

Activities of significance in 2009-10 were:

- Assisting in the development of the Respectful Workplace Strategy, including the delivery of information sessions to AFP workplaces, Leadership Development programs and AFP induction and recruit training.
- Enhancing reporting and capability of the case management information system.

- Instructing 1,832 participants on 90 information-awareness sessions conducted across Australia including Canberra, Adelaide, Melbourne, Perth and Hobart.
- Refresher training for 32 Canberra-based Confidants.

Statistics

In 2009-10, the Confidant Network received 131 referrals. During this reporting period 108 referrals were finalised and 23 remain active. These referrals are categorised as allegations in the following areas:

- Bullying: 23
- Conflict: 8
- Corruption: 1
- Discrimination: 3
- Governance: 14
- Harassment: 5
- Integrity: 25
- Management Action: 27
- Performance Development Agreement: 2
- Security: 13
- Sexual Harassment: 4
- Victimisation: 1
- Wellbeing: 5.

The remaining finalised matters were resolved through the Confidant Network without further referral.

Occupational Health and Safety

During 2009-10 the AFP continued to comply with its legal obligations under the *Occupational Health and Safety Act 1991* and the *Safety, Rehabilitation and Compensation Act 1988*. This was achieved in day-to-day business through organisational adherence to the AFP policies, guidelines and standard operating procedures that are aligned to the requirements of the legislation.

During 2009-10 the AFP carried out 166 occupational health and safety training courses across the organisation including:

- Occupational health and safety induction training for recruits, lateral transfers and non-sworn members and Locally Engaged Overseas Staff.
- Roles and responsibilities of managers, supervisors and attendees on Leadership Development Programs and Team Leader training.
- Local occupational health and safety familiarisation.
- Workplace ergonomics.
- Occupational health and safety risk management.
- Workplace incident investigation.
- Radiation safety training.
- Safe handling of chemicals awareness training.
- First Aid.
- Emergency management and control.

The AFP Health and Safety Management Arrangements 2007-12 comply with legal obligations and include:

- 59 designated work groups, health and safety representatives and deputies.
- A National Occupational Health and Safety Committee, Operational Safety Committee and eight Regional Occupational Health and Safety Consultative Committees.
- Expert advice and assistance to facilitate occupational health and safety risk management.
- Active support for employees with injuries, including access to workers' compensation entitlements and structured programs to achieve an early and durable return to work under the Safety and Rehabilitation Commission's processes.

Initiatives undertaken during 2009-10 include:

- The AFP released a mandatory online OHS training program on 1 March 2010 that all staff were required to complete by 31 August 2010.
- Implementation of a national guideline on OHS risk management.
- Development and implementation of an Occupational Health and Safety guidance document on confined spaces.
- Development of the Majura Bushfire Management Plan.
- Development of emergency procedures for the new AFP headquarters.
- Consultation released for the draft guidance document on the management of work in an asbestos environment.
- Development and implementation of the Compensation and Rehabilitation System to improve management of information.
- Review of the National Guideline on First Aid.
- Review of the AFP Health and Safety Management Arrangements 2007-12.
- Development of an AFP practical guide on early intervention.

During 2009-10 the AFP notified Comcare of 105 incidents under section 68 of the *Occupational Health and Safety Act 1991*.

Comcare investigated a dangerous occurrence at the AFP Melbourne office when the building was evacuated due to a reported chemical incident.

There were no provisional improvement notices issued by health and safety representatives.

During 2009-10 the Australian Radiation Protection and Nuclear Safety Agency conducted one planned inspection on

the AFP Z Backscatter Van. The inspector found the AFP complied with the Act, the Regulations or licence conditions.

Consistent with the set national target, the AFP continued to achieve an improvement in the number of incapacity weeks lost due to injury and disease. The AFP implements best-practice in return to work options and the sourcing of suitable duties for injured or ill members to enable a reduction in incapacity weeks.

Learning and Development

Learning and Development designs and delivers products and services to support the AFP and its law enforcement partners.

Partnerships are crucial in ensuring high-quality training is delivered to both AFP and client agencies. Partners include the:

- Australian Commission for Law Enforcement Integrity
- Commonwealth Ombudsman
- Australian Attorney-General's Department
- Australian Defence Force
- Australian Customs and Border Protection Service
- International law enforcement agencies
- Australian State and Territory police services
- Charles Sturt University
- Monash University
- Other higher education providers that recognise AFP training programs.

Learning and Development's advanced engagement with functional areas through new and established consultative working groups has improved program alignment with functionally-endorsed priorities. Outcomes include the creation of a training continuum framework

for intelligence practitioners and investigators and the development and delivery of specific programs to enhance the skills and performance of members. Learning and Development is also developing a Protective Services Officer Development Continuum.

As a result of a number of recent external and internal operational reviews the Strategic Leaders Group has emphasised the importance of maintaining and enhancing the investigator capability. In response to this challenge, a working group consisting of National, ACT Policing, Office and Functional Managers has undertaken a review of the current investigations career/learning continuum which seeks to implement changes that will focus on investigator learning and skill sets to reinforce the AFP's role as the Commonwealth's primary investigative agency.

The Federal Audit of Policing (the Beale Review) identified that learning and development was fragmented across the AFP and supported a more coordinated approach through the Learning and Development portfolio. This issue is under consideration as part of the "One AFP, One Corporate" Project.

Learning and Development provided a range of training programs to Australia's offshore, regional law enforcement agency partners under the auspices of the Law Enforcement Cooperation Program during 2009-10 and also facilitated visits by international law enforcement delegations to the AFP College. Programs were developed to meet the challenges and issues faced by each country or region and the environment in which the program was conducted.

During 2009-10 a new e-learning solution named iAspire was introduced with the objective of providing a more user-friendly interface and enhanced

reporting functionality. This system supports the identification of skill and/or knowledge gaps and assists in the development of more targeted training programs. Mandatory training requirements and discretionary initiatives have resulted in a significant growth in the number of online programs available and this is expected to continue.

Investigations Training

The Investigations Training team is responsible for the design, development and delivery of investigations training programs for both the AFP and client agencies.

To reinvigorate the importance of the role of investigators within the AFP, the Investigators' Development Continuum Project has been established to deliver a framework that maps the ongoing professional and skills development of a sworn member, incorporating investigations, leadership and command training.

Core and crime-specific training programs are delivered by regionally based personnel trainers and encompass:

- ACT Community Policing.
- Counter Terrorism Investigations.
- Cyber Safety.
- Financial Investigations.
- Basic and Advanced Investigations.
- Sexual Offences.

Significant activities for 2009-10:

- The Advanced Investigator Program was reviewed and restructured to address skills gaps in accordance with the mandate of the Investigators' Development Continuum Project. A prototype course was run in the first half of 2010 which will be reviewed to ensure that it meets the organisation's needs.

- Five Counter Terrorism Investigations workshops and one Advanced Counter Terrorism Investigations Program were run, providing training to almost 150 personnel from the AFP and client agencies.
- Nine Investigative Interviewing programs were delivered to back-capture all AFP sworn personnel on the PEACE model's basic interviewing techniques (Planning and preparation, Engage and explain, Account, Closure and Evaluate). These techniques now form part of the AFP's core and specialist Investigator training programs.
- 10 Money Laundering Investigations programs were delivered throughout the Asia-Pacific region.

Other crime-specific programs delivered in 2009-10 include:

- Integrity Investigations Program.
- ACT Controlled Operations Workshop.
- 11 Interviewing Vulnerable Witnesses programs.
- Five Investigator Training programs.
- Sexual Assault and Child Abuse Team course.
- Constable development program.

Recommendation 8a of the Street Review was implemented in the form of shared induction training between the AFP and Australian Security Intelligence Organisation during 2009-10 and a sound working relationship exists between respective training areas.

Leadership and Command

Leadership and Command is responsible for enhancing the leadership, management and command capability of the AFP.

Leadership and Command is also responsible for delivering the Command, Control and Coordination programs that enhance the knowledge, skills and confidence of members in managing critical incidents and provide a comprehensive understanding of Australian Emergency Service command and control arrangements.

Leadership and Command delivered four main areas of training during the 2009-10 financial year:

- 1 Tier 1 Leadership (Bands 3-5, five-day residential workshop)
- 2 Tier 2 Leadership (Bands 6-8, two-week residential program)
- 3 Command, Control and Coordination training (five-day workshop)
- 4 Command, Control and Coordination Incident Control and Coordination System training (two-day workshop).

In the reporting period the faculty delivered Tier 1 Leadership to 280 participants. The pilot Tier 2 program had 24 participants. The Command and Control faculty delivered the Command, Control and Coordination program to 194 participants and Incident Control and Coordination System training to 274 members. Crucial to Command, Control and Coordination was the adoption of the Incident Control and Coordination System by the Aviation portfolio as well as the International Deployment Group. The faculty has delivered packages and programs internationally, in Vietnam and IMOSC (International Management of Serious Crime) in Singapore.

Leadership and Command also delivered tailored leadership and command modules within existing AFP programs such as MOSC (Management of Serious Crime), Investigations, Surveillance and Constable Development programs and facilitated AFP

members' participation in external national and international training opportunities such as the Queensland Police Management Development Program and the Hong Kong Police Intermediate Command Course.

Specialist and International Training

Specialist and International Training provides education and training services to the wider AFP, Australian Law Enforcement agencies and International Law Enforcement agencies and is made up of six schools that are cross-discipline in nature. They include:

Surveillance Training—During the financial year Surveillance Training delivered training in several different locations, including:

- two International Surveillance Programs in Indonesia
- one National Surveillance Program in Canberra
- one Local Surveillance Program for the Victorian Department of Primary Industries in Melbourne
- one Local Surveillance Program in Sydney
- one Local Surveillance Program in Melbourne
- one Local Surveillance Program in the Australian Capital Territory
- Rural Surveillance Skills Maintenance Workshop in the Australian Capital Territory
- five Counter Surveillance Programs for the AFP and other agencies
- two Imaging Workshops for Airport Uniform Policing in Sydney.

In addition, Surveillance Training was actively involved in National Counter Terrorism Committee activities and processed a number of applications for

Recognition of Prior Learning for the newly-established Advanced Diploma of Government Surveillance.

Law Enforcement Intelligence Training—

Following a training needs analysis a significant number of recommendations were made and a six-phase intelligence training continuum is being developed. Phases I to IV are currently being delivered and when the curriculum is endorsed it will include the award of the nationally accredited Diploma in Public Safety (Police Intelligence Practice). The final two phases, analyst and management of intelligence programs will be developed during 2010-11.

External Agencies Training—The Federal Law Enforcement Training Coordination Centre provided Australian Government law enforcement agencies with access to quality agency-specific law enforcement training programs and workshops in a variety of disciplines including Investigation Management, Law Enforcement Intelligence, Interview Techniques, Court Practices and Procedures and Surveillance training delivered to client agencies with a view to enhancing their intelligence and investigational skills in relation to their government responsibilities. External Agency training was also delivered to over 60 Commonwealth and State-based agencies during the reporting period.

International Training—Provides a range of training programs to Australia's international law enforcement agency partners. The team also facilitates visits by international law enforcement delegations to the AFP College.

During the financial year, the International Training Team provided training in several different countries to:

- 88 participants, on Intelligence Analyst Development programs in Indonesia

- 59 participants, on People Smuggling Intelligence Analyst Development programs in Indonesia
- 27 participants, on the Advanced Intelligence Program in Thailand
- 25 participants, on the Intelligence Officers Program in Solomon Islands
- 24 participants, on the Intelligence Officers Program in Vietnam
- 25 participants, on the Intelligence Officers Program in Cambodia
- 30 participants, on the Intelligence Officers Program (People Smuggling) in Malaysia
- 25 participants, on the Intelligence Officers Program (Counter Terrorism) in Lebanon
- 40 participants, on the Advanced Intelligence Program in China
- 27 participants, completing two International Liaison Officers Pre-embarkation programs in Canberra
- 19 participants, on the International Locally Engaged Staff Program in Canberra
- computer-based Intelligence Program to three Iraqi Police in Canberra
- facilitated Ministry of Public Safety Chinese Australian Leadership Awards Program—joint delivery with Wollongong University in Canberra/ Wollongong/Sydney—15 participants.

The Culture and Language Centre contributes to the activities of functional areas that have a demonstrated requirement for proficiencies in cultural intelligence and foreign languages.

The **Culture and Language Centre** delivered training to:

- 124 AFP personnel and 104 State and Commonwealth personnel in Islamic Cultural Awareness
- 211 AFP new employees attended

General Cultural Awareness workshops

- 86 members and spouses attended country-specific cultural awareness workshops during pre-deployment training on the International Liaison Officer and International Deployment Group pre-deployment programs
- across Australia 87 AFP personnel received language training in priority languages
- to support liaison posts 68 AFP personnel received in-country language training.

Jakarta Centre for Law Enforcement Cooperation

The Jakarta Centre for Law Enforcement Cooperation is a training facility located at Semarang in Central Java, Indonesia. A joint initiative of the Indonesian and Australian governments, it is recognised as a centre of excellence in developing the operational expertise of regional law enforcement personnel to deal with transnational crime, including terrorism. The Centre also enables an exchange of information and expertise with international law enforcement agencies that have exposure to the institution through conferences and meetings.

During 2009-10 the Centre continued to strengthen counter-terrorism capabilities within Indonesia and across the region through the education and training of police. In addition, the Centre contributed to a range of people smuggling-related activities, including a source, transit and destination people smuggling seminar in December 2009 for south-east Asia and south Asia.

To date, more than 300 courses have been conducted in relation to:

- investigations
- post-bomb blast analysis
- financial investigations
- investigations

- post-bomb blast analysis
- financial investigations
- criminal intelligence training
- communications
- general forensics
- leadership.

These courses were attended by more than 6,800 law enforcement personnel from Indonesia and the region from 45 countries to date.

The Centre also provided courses in subjects as diverse as Islamic law and politics through Melbourne University, security risk management, disaster victim identification, online grooming, fingerprinting, leadership, investigations management and chemical biological, radiological and nuclear response programs.

The Jakarta Centre worked closely with law enforcement agencies in the Asia-Pacific region, linking with training centres in Malaysia, Thailand and the National Policing Improvement Agency (Bramshill) in the United Kingdom. During 2009-10 the Centre also entered into a cooperative agreement with the European Union to support the “strengthening of law and security in Indonesia” component of a €20 million project. Key partners for this grant are the United Nations Office on Drugs and Crime, Charles Sturt University, the United Kingdom National Policing Improvement Agency and local government reform agencies.

Recruit Training

In 2009-10 the Recruit Training team managed the following programs:

- seven Federal Police Development programs
- three Protective Services Officer programs

- nine Federal Police Lateral programs
- seven Airport Uniform Policing programs
- 17 Staff Induction programs.

During the 2009-10 financial year a Consultative Committee reviewed the Australian Capital Territory and National programs by interviewing key stakeholders in the Australian Capital Territory and National arenas. These stakeholders consisted of Office Managers, Coordinators, Team Leaders and members who had recently attested from the college. As a result of the review a new 24-week (an increase from 20 weeks) Federal Police Development Program began in 2009-10 which will be subject to ongoing review to ensure currency.

A new staffing arrangement was introduced to allow the college to deliver a more stable platform from which to design and deliver courses as well as maintaining a contemporary experience.

An outcome of Project Macer was the development of a transition program for Protective Service Officers wanting to become sworn police officers. The transition training course will be titled the Federal Police Foundation Program and the length of the course will be 16 weeks (reduced from 24) in recognition of the training and skills that Protective Service Officers will bring to that transitional training.

The development and implementation of the Constable Development Program evolved in consultation with Investigator Training. This program aims to consolidate and enhance core policing knowledge and skills which will build on leadership capability within the AFP. All ACT Policing recruits from 2009 onwards will undertake the Program towards the end of their first year in the organisation. Learning

and Development is developing a similar program for recruits deployed to Outcome 1.

The implementation of a two-day, face-to-face Induction Program for all new employees replaced the previous online program during 2009-10 and the alignment of the Protective Service Officer Program to external qualifications of a Certificate IV in Security and Protection was completed. Recognition of Prior Learning was also addressed as part of this process.

Aviation and Protection

The Aviation and Protection Training Team designs, develops and delivers training for Airport Uniform Police and Protective Service Officers attached to the Aviation Services and Protection portfolios.

Training for Aviation Services staff is divided into delivery programs for:

- Airport Uniform Police.
- Counter Terrorist First Response.
- Protective Service Officer Development Program.
- Specialist bomb appraisal officer training and bicycle courses.

During 2009-10 the Aviation training program delivered:

- Protective Service Officer Development workshops. This five-day course was delivered to 260 members.
- Protection Specialist Training—Bicycle course. This four-day course was delivered to 27 members.
- Protection Specialist Training—Bomb Appraisal Officer Course. This five-week program was delivered to 36 members.

The Protective Service Officer Development Program began in 2009 and was designed to up-skill Protective

Service Officers in relation to Statements, Legislation, Powers and Forensics. This program was delivered to over 90 per cent of its targeted audience.

Management of Serious Crime

The Management of Serious Crime team is dedicated to providing an appropriate forum for senior investigational managers to share their skills and experience in the management and leadership of serious and complex criminal matters, coordinating the delivery of the six Management of Serious Crime programs throughout the year—three domestic and three international, including a program in China delivered in Mandarin.

Management of Serious Crime programs are delivered to a diverse cross-section of the national and international law enforcement community as well as to the investigative areas of the AFP's Australian Government partners. The 48th Management of Serious Crime Program also extended an invitation for the first time to a private sector organisation with a participant attending from Microsoft.

Programs in 2009-10 included:

- International Management of Serious Crime program—Jakarta 2009, on the topic of "Critical Incidents: A Regional Approach to Management and Investigation". Seventeen participants from international law enforcement agencies successfully completed the program, including representatives from Indonesia, China, Cambodia, Hong Kong, Korea, Laos, Malaysia, Burma, Vietnam and Australia.
- Management of Serious Crime Program 48, on the topic of "Technology Enabled Crime". Eighteen participants successfully completed the program, including representatives from New

Zealand, Romania, Fiji and South Africa, one participant representing the Australian Crime Commission and one participant from Microsoft.

- International Management of Serious Crime—China 2009, on the topic of “Technology Enabled Crime”. Seventeen participants undertook the program, with sixteen successfully completing it. Participants included representatives from China, Hong Kong, Singapore and Australia.
- Management of Serious Crime Program 49, on the topic of “Organised Crime—Outlaw Motorcycle Gangs”. Eighteen participants successfully completed the program, including representatives from New Zealand, Fiji and Canada, one participant from the Australian Crime Commission and one participant from CrimTrac.
- International Management of Serious Crime Program—Singapore 2010, on the topic of “Transnational Crime—Regional Responses to Regional Challenges”. Program included representatives from Singapore, Brunei, Cambodia, Hong Kong, Indonesia, Korea, Malaysia, Pakistan, Philippines, Thailand, Vietnam and Australia.
- Management of Serious Crime Program 50 concluded on 25 June 2010. The theme of the program was “Serious Crime: Child Protection Operations”. Program participants included representatives from New Zealand, Bangladesh, Sri Lanka, Botswana and Turkey.

Operational Safety and Protection

The Operational Safety and Protection team provides the AFP with the following core functions:

- Operational safety training to all members undertaking recruit training.

- Operational safety training to lateral members recruited for the Aviation and International Deployment Group portfolios.
- Operational safety training to members deploying with the Regional Assistance Mission to Solomon Islands.
- Annual recertification of all sworn members from both the National and ACT Policing portfolios.
- Close Protection Training.
- Management of Driver Training.

The Operational Safety and Protection team also provides operational safety training to other government departments and close protection training to police from international jurisdictions.

During 2009-10 the Operational Safety and Protection team delivered training to 26 recruit programs and 17 staff induction programs and delivered in excess of 240 Operational Safety Assessment programs to recertify all AFP sworn employees and members of external agencies in the use of force. The Operational Safety and Protection portfolio also provided annual skills-maintenance training to members of the Protection portfolio and delivered defensive tactics training to appointees engaged in some technical and specialist roles.

The Coordinator Operational Safety and Protection is the Secretariat of the Operational Safety Committee, the body responsible for providing the Executive with strategic advice and direction concerning all matters of operational safety and governance.

Business and Academic Management

Business and Academic Management delivers services to support strategic development and delivery of education and

training, management and development of Learning and Development staff and College resources and administration.

During the reporting period the area underwent significant change and delivered some crucial outcomes:

- Education Design and Practice was established to bring together the educational functions previously known as Program Design, Quality Assurance and Higher Education and will be crucial to the long-term development of effective training in the College. In a short period it managed projects initiated through Manager Learning and Development to establish a new educational design model and to rebase the qualifications issued under the Australian Quality Framework through a rigorous audit process.
- The Resource Management Team managed delivery of projects across the College to improve the living and learning environment for recruits and, by extension, other AFP and external users.

In addition, Professional Development continued to manage the needs of Learning and Development for staff rotation and renewal, particularly through supporting sworn officers in the return to operational roles. This area works closely with Education Design and Practice.

E- Learning provided support across operational areas to deliver products to manage mandatory assessments and to support programs managed through Leadership and Management.

The College Coordination Centre continued to deliver high quality administrative support for all College programs during 2009-10.

AFP National Library

The AFP National Library delivers key information resources and training to support the Australian Capital Territory community, national and international operations, and contributes to the development of essential skills and knowledge for enhanced decision-making and effective policing.

Medical Services

Medical Operational Readiness

The Medical Operational Readiness Program provides a range of medical services and procedures for recruits on entry into training, offers periodic medical assessment and health monitoring of operational members and prepares AFP employees for operational deployments to Australian mainland destinations, its Territories and overseas.

The Medical and Operational Readiness Program supports Recruitment and Selection, ACT Policing, the Aviation and Protection portfolios, the International Network, the International Deployment Group, specialist teams such as Counter Terrorism and the Forensic and Data Centres and all operational teams on standby for rapid response and critical incident deployments.

Health and Fitness

The Health and Fitness Program provides a system of physical competency assessments and testing against agreed standards for operational policing. It provides these services for recruits, operational members, specialist teams and those preparing for overseas deployment.

Health promotion and education information sessions are also delivered to complement the National Public Health Promotion calendar of activities.

The Health and Fitness Program also assists in injury management and the rehabilitation of employees.

Significant activities for 2009-10 included:

- Provision of targeted health risk screening and exercise programming for operational members.
- Introduction of a quarterly E-Health newsletter available to all employees addressing contemporary health issues.
- Support in the provision and contract establishment of Forensic Medical Services for ACT Policing.
- Expert advice to ensure protection of AFP employees from pandemic (H1N1) 2009 influenza.
- Consultation with the Australian Federal Police Association on the long-term effects of doxycycline as an antimalarial on deployment overseas.
- Introduced mandatory training on Occupational Exposure to Human Blood-borne Pathogens to recruits and International Deployment Group staff deploying overseas.
- In conjunction with the International Deployment Group and the Australian Defence Force, developed and implemented a Health Care Plan to support AFP deployments to Afghanistan.
- Assisted the International Deployment Group's Operational Response Group to ensure appropriate governance measures were in place for the planned "ORG Medic" Program.

Wellbeing Services

AFP Wellbeing Services provides a range of services that support the AFP workforce and management. These services are organised into five areas:

- Wellbeing Network.
- Psychology services.
- Chaplaincy services.
- Family Liaison Network.
- Employee Assistance Program.

Key achievements for 2009-2010 included:

- The roll-out across the AFP of the AFP Wellbeing Peer Support Officer Program. The program was very well received in all locations, but in particular those that are more remote (for example some of the Protection workplaces). There is a need to revisit a number of sites to increase the number and presence of Wellbeing Peers in the organisation.
- Wellbeing Services was increasingly involved in providing education to a number of AFP leadership courses, significantly increasing the exposure of AFP Wellbeing Services to the broader organisation and an increase in the use of Wellbeing Services resources by AFP leaders at all levels.
- Wellbeing Services successfully hosted another Australian Police Wellbeing Forum this year under the auspices of the Australia-New Zealand Policing Advisory Agency. It was the first time the Agency had been involved with the Forum and this, combined with the success of the Forum (as indicated by the presence of all other police jurisdictions) bodes well for the future of the event.

- The Wellbeing Network experienced staffing issues in 2009-10 which had an impact on its ability to achieve its full potential. They are in the process of being resolved.
- In 2009-10 there was a significant recruitment drive in AFP Chaplaincy Services and a number of new part-time and full-time positions were approved and recruited for ensuring Chaplaincy support is available to major AFP State offices
- Key achievements during the reporting period were a move to online testing for all AFP recruitment and the trial of a statistics collection model for Wellbeing Services psychologists. The roll-out of the Wellbeing Peer Support program continued in 2009-10.

Professional Standards

The AFP is a values-driven organisation with a strong emphasis on organisational integrity which is safeguarded through the delivery of a robust and transparent professional standards framework. All AFP employees have an individual responsibility to maintain the professional standards of the AFP as determined by the Commissioner, however, responsibility for developing and delivering the AFP's professional standards framework is vested with AFP Professional Standards.

The AFP's professional standards are grounded in various legislative and governance arrangements and underpinned by the AFP Core Values and the AFP Code of Conduct. The AFP Professional Standards Policy requires the incorporation of the AFP Core Values into all policies, practices and procedures. Collectively, this governance framework sets out the standards expected of all AFP appointees in the conduct of their duties.

The AFP's professional standards framework is underpinned by three essential pillars: **Prevention, Detection** and **Response**. During 2009-10 the AFP continued to develop this framework to ensure it represents best-practice and meets the increasing demands and diverse demographics of the AFP.

The AFP's professional standards framework is also a crucial component of the Commonwealth's approach to law enforcement integrity and accountability. The AFP continues to develop a strong integrity partnership with the Australian Commission for Law Enforcement Integrity, which has responsibility for investigating allegations of corrupt conduct by AFP appointees. Further, the AFP continues to actively engage with the Commonwealth Ombudsman (who is also the Commonwealth and Law Enforcement Ombudsman) who has responsibility for overseeing the AFP's administration of complaint management as well as other administrative matters.

During 2009-10 AFP Professional Standards focused on several key themes to enhance the professional standards of the AFP and its capability to deliver the AFP's professional standards framework:

- a strong ongoing focus on education and marketing strategies to increase awareness of AFP Core Values and professional standards
- an enhanced timeliness in resolving complaints through improved practices and processes. A number of measures were introduced during 2009-10, including the establishment of an AFP Professional Standards Adjudication Panel to consider and determine the outcomes of investigations into Category Three conduct issues

- enhanced functionality to the AFP's Complaint Recording and Management System has delivered a significantly improved reporting capability. This enabled AFP Professional Standards to produce comprehensive reports on a range of professional standards issues and allowed for enhanced analysis of behavioural and other related trends within the AFP. This enhanced functionality also enabled significantly improved reporting to the AFP Senior Executive as well as supporting legislated reviews by the Commonwealth Ombudsman
- strengthened relationships with key internal and external stakeholders.

A primary element of the AFP's professional standards framework is the management of complaints made against the AFP or AFP appointees alleging contraventions of the professional standards of the AFP.

During 2009-10 the AFP received a total of 802 complaints. This is a 7.6 per cent decrease on the previous reporting period. Of the 802 complaints received, 450 related to AFP appointees attached to Outcome 1 (56.1 per cent) and 352 related to AFP appointees attached to Outcome 2 (43.9 per cent). The 802 complaints comprised a total of 1,440 individual conduct issues.

A notable result was a 34.5 per cent decrease in the number of complaints relating to serious misconduct (Category Three conduct issues). The strong focus on professional standards education strategies is a key contributor to this outcome.

Members of the public made 447 of the 802 complaints (55.7 per cent) and 303 complaints (37.8 per cent) were made by AFP appointees (not including the 37 AFP appointees who self reported)

and 15 complaints (1.9 per cent) were reported anonymously.

During 2009-10, a total of 657 complaints were finalised involving 1,207 individual conduct issues. Of the 1,207 individual conduct issues raised from those complaints, 278 (23 per cent) were established. The remaining 77 per cent were either withdrawn by the complainant, not established, or discretion was exercised not to proceed pursuant to section 40TF of the *Australian Federal Police Act 1979*.

These figures represent a continuing downward trend in this and the previous two reporting periods in relation to the number of complaints and also the number of individual conduct issues that were established.

Further information can be found in this report at Appendix 2—Corporate Integrity.

Prevention

A cornerstone of the AFP's professional standards framework is the delivery of effective strategies to prevent misconduct and corruption by AFP appointees. There was a continued focus during 2009-10 on developing new, and enhancing existing, prevention strategies.

Education and Awareness

AFP Professional Standards delivers a number of programs under its education and awareness strategy designed to reinforce key messages directed at organisation integrity. This strategy involves a collaborative partnership between AFP Professional Standards and other stakeholders within the Human Resource portfolio, including Wellbeing Services, the Confidant Network and Learning and Development.

The principal tenet of these programs is

raising AFP appointees' awareness of their responsibilities under the professional standards framework throughout all stages and levels of their career with the AFP.

During 2009-10, Professional Standards delivered a total of 211 professional standards awareness and prevention programs, reaching a total of 3,280 AFP appointees. These programs represent a 19.2 per cent increase in the number of programs delivered during the previous reporting year. Programs were delivered in all capital cities in Australia as well as a number of regional locations such as Geraldton, Cairns and Alice Springs and also the Solomon Islands.

AFP Professional Standards also had a prominent role in the development and delivery of the AFP's Respectful Workplace Strategy which is being rolled out across the organisation. This strategy aims to raise awareness about behaviours that reflect respectful workplace practices and the avenues of support available to AFP appointees who experience behaviour which may be perceived as inappropriate and/or unacceptable in the AFP environment.

Additionally, AFP Professional Standards delivered the third Inter-Agency Integrity Investigators Program in partnership with the Learning and Development portfolio during 2009-10. The aim of this program is to analyse critically contemporary and emerging issues within the integrity environment, to identify future trends and challenges and to implement strategies to address those issues. The program was attended by senior integrity investigator from Commonwealth, State and Territory law enforcement agencies, law enforcement oversight bodies and representatives from law enforcement agencies in Indonesia and Botswana.

AFP Professional Standards also assisted in the development and delivery of two Integrity Investigation workshops in the Solomon Islands under the auspices of the Regional Assistance Mission to Solomon Islands.

Professional Standards Framework Development

During 2009-10, AFP Professional Standards continued its extensive review of AFP professional standards governance arrangements and the development of new strategies to enhance the AFP's professional standards framework.

The AFP continued to engage with the Australian Commission for Law Enforcement Integrity as it strengthened its capacity to support the AFP in identifying corruption risks within the AFP. This engagement follows the Integrity Commissioner's 2009 report, *Resistance to Corruption*, and focuses on the ongoing development of measures to help resist corruption within the AFP, particularly with the renewed emphasis on tackling serious and organised crime.

Early Intervention Systems

AFP Professional Standards continued to develop an early intervention system as a proactive component of the AFP's professional standards framework. This system is designed to identify individual AFP appointees as well as work areas and roles within the organisation where there is potential for conduct and corruption issues to develop. The development of this system has evolved from previous work done on early warning systems, with a change in emphasis on examining behaviours that may lead to misconduct rather than relying on the early warning of conduct that is already occurring.

Integrity Testing

AFP Professional Standards also continued to develop a targeted integrity testing capability to further strengthen the AFP's ability to detect serious misconduct and corruption. A working group composed of key stakeholders, including representatives from the Australian Commission for Law Enforcement Integrity, continued to meet regularly to develop this capability.

The AFP is also a member of the Integrity Testing Practitioners Committee, which was endorsed by the Board of the Australia-New Zealand Policing Advisory

Agency as a sub-committee of the Police Integrity Forum.

Detection

AFP Professional Standards delivers a number of programs that detect misconduct or corruption by AFP appointees which complement the prevention and response measures.

These include the:

Drug Testing Program

The AFP is committed to a drug-free workplace and the Drug and Alcohol Testing Regime is a crucial element of the AFP's overall professional standards framework.

During 2009-10, the AFP conducted a total of 6,009 drug tests, 881 less, or a 12.78 per cent decrease, on the number of tests conducted in 2008-09. Mandatory random testing accounted for 5,307 appointees tested. Pre-employment testing accounted for 659 people tested and incident investigation accounted for 43 appointees tested. It should be noted that there were 155 more mandatory applicant tests than in 2008-09, which represents a 30.75 per cent increase.

A total of two AFP appointees or applicants returned a positive test which represents 0.03 per cent of the total number of tests. This was two less than in 2008-09.

Further information on drug testing can be found in this report at Appendix 2—Corporate Integrity.

Integrity Assurance Operations

During 2009-10, Integrity Assurance Operations received and assessed a total of 872 Integrity Reports and adopted revised AFP risk management principles for the assessment of Integrity Reports to ensure a consistent and effective approach to the identification and management of all identified exposures to integrity risks.

Integrity Assurance Operations is also responsible for conducting integrity checks on current and former AFP appointees. Checks are undertaken as part of promotion processes, overseas deployments and recognition and ceremonial processes. During 2009-10 a total of 8,118 integrity checks were undertaken, including 3,716 for the Commonwealth Director of Public Prosecutions (CDPP) pursuant to their *Guidelines on Disclosure to CDPP by Investigation Agencies*.

Response

The AFP has primary responsibility for resolving complaints against the AFP and its appointees. The resolution of complaints incorporates the AFP's complaint management framework which is underpinned by a four-tiered model grounded in Part V of the *Australian Federal Police Act 1979*.

- *Category One conduct issues* relate to minor management, customer service and performance matters.

- *Category Two conduct issues* include minor misconduct and unsatisfactory performance.
- *Category Three conduct issues* are serious misconduct matters that do not involve corruption but may give rise to employment termination, breaches of criminal law and serious neglect of duty.
- *Corruption issues* arise where an AFP appointee has engaged in, is engaging in, or may engage in, corrupt conduct.

Category One and Two conduct issues are managed by Complaint Management teams established in the AFP's local offices and functional areas. Category Three matters are investigated by the Professional Standards Investigations Unit.

The Commissioner is required to notify the Integrity Commissioner of corruption issues as soon as possible. The Integrity Commissioner may determine that: the Australian Commission for Law Enforcement Integrity will investigate the issue, the AFP and the Australian Commission for Law Enforcement Integrity will jointly investigate the issue, or, the issue is referred back to the AFP to investigate with Australian Commission for Law Enforcement Integrity oversight.

During 2009-10 there was a 2.8 per cent increase in Category One conduct issues, an 8 per cent decrease in Category Two conduct issues, a 34.5 per cent decrease in Category Three conduct issues and an 8.7 per cent increase in corruption issues notified to the Integrity Commissioner.

A breakdown of complaints can be found in this report in Appendix 2—Corporate Integrity.

Resolving Minor Conduct Issues

Complaint Management teams

There are currently 16 Complaint Management teams who coordinate the investigation and resolution of Category One and Category Two conduct issues in the workplace. During 2009-10 these teams managed a total of 685 complaints of minor conduct issues.

The biannual National Complaint Management Team Forum is an important medium through which AFP Professional Standards continued to build an internal network of best-practice in complaint management within the AFP complaints management framework. The forum ensures organisational consistency in the management of complaints and also enables representatives from the office of the Commonwealth Ombudsman to address these teams directly on issues of importance relating to complaint management.

Operations Monitoring Centre

In 2009-10, the Operations Monitoring Centre serviced an increased number of information requests from the Commonwealth Ombudsman as well as requests from individuals pursuant to the *Freedom of Information Act 1982*, the *Safety, Rehabilitation and Compensation Act 1988* and the *Privacy Act 1988*.

Resolving Serious Conduct and Corruption Issues

Responsibility for investigating Category Three conduct issues and corruption issues is vested in the Professional Standards Investigations Unit, constituted pursuant to section 40RD of the *Australian Federal Police Act 1979*. The Investigations Unit also investigates corruption issues referred to the AFP

by the Integrity Commissioner pursuant to section 26 of the *Law Enforcement Integrity Commissioner Act 2006*.

There are seven Investigation teams comprised of 33 investigators within the Investigation Unit. Four teams are based in Canberra and one team each is based in Brisbane, Melbourne and Sydney. During 2009-10 a dedicated team was also established to specifically manage corruption matters and the AFP's increasing engagement with the Australian Commission for Law Enforcement Integrity.

During 2009-10, the Investigations Unit began investigations into a total of 196 complaints involving a total of 327 individual conduct issues.

Several new initiatives were introduced during the reporting period to streamline and standardise the investigation process for Category Three and corruption matters, including the simplification of reporting processes and enhanced practices to monitor and manage emerging and evolving business requirements.

A key development was the establishment of an AFP Professional Standards Adjudication Panel to adjudicate on Category Three and corruption matters. It is expected that the Panel, which comprises the Manager, AFP Professional Standards and seven SES Band 1 members, will significantly enhance the timeliness in resolving these matters. The Panel will begin in July 2010.

External Stakeholders

The Commonwealth and Law Enforcement Ombudsman

The Commonwealth Ombudsman is also the Commonwealth and Law enforcement Ombudsman. Under Division 7, Part V of the *Australian Federal Police Act*

1979, the Commonwealth Ombudsman has certain oversight responsibilities regarding the manner in which the AFP manages complaints against it and its personnel. To discharge this responsibility, the Commonwealth Ombudsman conducts biannual reviews of the AFP's administration of Part V of the *Australian Federal Police Act 1979* and reports his findings to Parliament annually.

In addition to this legislative requirement, the Commonwealth Ombudsman can undertake investigations in response to a complaint about the AFP or an AFP appointee (section 8 investigations) or on his own initiative (own motion investigations).

The number of recommendations from the first review undertaken by the Commonwealth Ombudsman (for the period 30 December 2006 to 24 May 2007) to the fifth review (for the period 1 February 2009 to 31 July 2009) has declined significantly.

The AFP has engaged with the Office of the Commonwealth Ombudsman to consider and, where practicable and appropriate, to implement these recommendations which have improved overall complaint management by the AFP. The oversight role of the Commonwealth Ombudsman will continue to identify issues that may require enhancement to deliver effective complaint handling and resolution.

In his report on his fifth review, the Commonwealth Ombudsman recognised improvements made by the AFP as a result of previous reviews. A number of areas of strength within the AFP's complaint management framework were also identified, including the high standard of adjudications on Category Three conduct issues and corruption issues, the correct classification of complaints, and,

that complaint findings were adequately supported by complaint investigations.

For further information in this report see Chapter 6, Governance and Accountability.

During 2009-10, AFP Professional Standards and the Office of the Commonwealth Ombudsman continued to engage on issues to ensure continuous improvement in relation to the AFP's management of complaints by:

- convening the Annual Professional Standards/Ombudsman Forum to further develop and improve complaint management practices arising from the Commonwealth Ombudsman's reviews
- two members of AFP Professional Standards attending the Management of Difficult Complainants Workshop delivered by the Commonwealth Ombudsman's office
- representation from the Office of the Commonwealth Ombudsman at various fora on AFP professional standards and complaint management
- the Commonwealth Ombudsman and the Commissioner negotiating the installation of AFPNet in the new offices of the Commonwealth Ombudsman which will enable complaint information and data to be directly accessed from the AFP's Complaint Recording and Management System and PRS PROMIS to support reviews and investigations involving the AFP. It is anticipated this will result in increased efficiencies for both agencies.

The Australian Commission for Law Enforcement Integrity

The AFP and the Australian Commission for Law Enforcement Integrity continued to develop a strong integrity partnership. The reporting period saw the level of engagement between both agencies

increase significantly as a result of the number of matters that have been notified to the Integrity Commissioner since the establishment of the Australian Commission for Law Enforcement Integrity and the *Law Enforcement Integrity Commissioner Act 2006*.

In April 2010, AFP Professional Standards and the Australian Commission for Law Enforcement Integrity held their first Annual Forum which enabled the development of a number of strategies in relation to conducting joint investigations, progressing corruption prevention measures and streamlining processes for the increasing administrative demands on both agencies.

The installation of AFPNet in the Australian Commission for Law Enforcement Integrity Operations Facility was completed. This will support joint investigations into allegations of corrupt conduct by AFP appointees.

During 2009-10, the AFP Commissioner notified the Integrity Commissioner of 29 alleged corruption issues (16 significant and 13 non-significant alleged corruption issues). The Integrity Commissioner referred a total of 20 matters involving alleged corrupt conduct to the AFP for investigation pursuant to section 26 of the *Law Enforcement Integrity Commissioner Act 2006*.

The Professional Standards Investigations Unit and the Australian Commission for Law Enforcement Integrity were also involved in seven joint investigations of allegations of corrupt conduct by AFP appointees.

A total of three matters involving allegations of corrupt conduct by AFP appointees were finalised in 2009-10. These matters were referred to the

AFP by the Integrity Commissioner for investigation. The outcome of two of these matters was that there was no corrupt conduct or other misconduct established. The outcome of the remaining matter was an established finding for conduct that contravened the professional standards of the AFP but did not constitute corrupt conduct.

Policy and Governance

Internal Audit and Business Analysis

Internal Audit and Business Analysis supports the leadership and management of the AFP by providing a comprehensive organisational governance framework and an effective business performance and accountability framework.

The organisational governance framework encompasses strategic and business planning, risk management, business continuity management and a system of governance instruments and internal audit.

The business performance and accountability framework is delivered through an independent, evidence-based assessment methodology that together improves the decision-making capacity of managers in the AFP.

They are underpinned by:

- the use of internal and external expertise
- business intelligence
- the AFP's governance framework
- relationships with the other AFP corporate service provider portfolios, Finance and Human Resources.

During 2009-10, the Internal Audit and Business Analysis branch successfully incorporated the planning and governance functions and established a **Program Monitoring and Oversight** team.

These changes will realise greater efficiencies in the integrated delivery of strategic organisational planning, risk management, business continuity, governance, project and program management, internal audit and performance analysis.

Significant Achievements

- The integration of performance review elements into the Performance and Budget Monitoring Committee program.
- Refinement of the AFP business planning framework to incorporate risk management and linkages to Portfolio, Programme and Project Management Maturity Model process perspectives and AFP strategic themes.
- Implementing internal policy by managing and assuring the quality of the AFP Governance Instrument Framework.
- The introduction of PRINCE2 Project Management methodologies into the delivery of projects, including those associated with the new policy initiatives.

Security

The AFP Security Committee fills the Security Executive role and is responsible to the AFP Commissioner for the continued development of security policy, the oversight of security matters and for creating and maintaining an appropriate security culture for the protection of AFP functions and official resources.

The AFP complies fully with Australian Government Protective Security policy and is also a member of a number of protective security committees and forums such as the Inter-Agency Security Forum.

Serving as the Agency Security Advisor, the Manager Security is responsible for the implementation of security policy within the AFP and also has oversight of information and communications technology security. In 2009-10, Security contributed to a number of major infrastructure projects by providing physical and procedural security advice to ensure appropriate security measures were implemented to protect AFP information, assets, people and operations.

Projects included the Aviation facilities upgrade, the retrofit of AFP offices around the world and the new AFP Headquarters project.

Personnel Security

All AFP appointees must obtain and maintain some form of security clearance and currently 68 per cent of AFP staff maintains a national security clearance, an increase from 2008-09 of 10 per cent.

During the 2009-10 reporting period Personnel Security Vetting granted 3,447 security clearances that ranged from SITE ACCESS ONLY to TOP SECRET.

Information and Communications Technology Security

The Information and Communications Technology Security team continued to provide technical security advice, operational support for the management and development of the AFP's information technology systems, awareness training, vulnerability management and incident response during 2009-10.

Operational Security

The Operational Security team provides strategic and tactical security advice and products in support of operational activities. Extensive support with security

planning was provided for offshore deployments during the reporting period to the International Deployment Group and the International Network.

A key initiative for operational security was also implemented during 2009-10 with the appointment of regional security officers in each of the major State offices to provide direct security advice and support to AFP operations across Australia.

Policy

The Policy group serves the law enforcement policy development and organisational planning needs of the AFP by working closely with internal stakeholders and a wide range of external partners to ensure the AFP's policy capability is responsive to the future needs of national and international law enforcement in a rapidly evolving security and crime environment.

To better align its outcomes with AFP priorities, Policy was restructured during 2009-10 into the following sections:

- National Security Policy
- International Policy
- Domestic Policy
- Strategic and Emerging Issues.

National Security Policy

The National Security Policy team provides a whole-of-AFP coordination point for issues being progressed to peak government decision-making forums like the National Security Committee of Cabinet, the Secretaries Committee on National Security, the Strategic Policy Coordination Group and the Homeland and Border Security Policy Coordination Group.

In close consultation with Counter Terrorism, Aviation, Protection Security, Intelligence, High Tech Crime Operations

and the new Crime portfolio, the National Security Policy team also developed whole-of-AFP policy positions on issues of national security policy during 2009-10. Under the auspices of the National Security Statement, the strengthening nexus between law enforcement and the wider intelligence community drove the work of the team to strengthen AFP alliances with the community and build representation at officer-level meetings.

The increasing complexity and volume of issues of relevance to law enforcement on the national security agenda, such as the first coordinated National Security Budget, the Counter Terrorism White Paper and the national security implications of the Federal Audit of Policing Capabilities, were also addressed in depth by the National Security Policy team during the reporting period.

International Policy

The International Policy section provides advice on, and coordination of, major, sensitive, and/or emerging policy issues that impact on the AFP's international role. The section continued to build its networks with key external agencies during the reporting period and worked closely with the AFP's International Deployment Group and the International and Counter Terrorism areas.

Through the Department of Prime Minister and Cabinet, the Department of Foreign Affairs and Trade and the Australian Attorney-General's Department, this section also provided AFP input into a variety of multilateral international forums related to law enforcement and policing during 2009-10, in particular to the development of Pacific security partnerships.

Domestic Policy

The Domestic Policy section provides policy advice to the Minister for Home Affairs and senior AFP Executive members to support them in their roles at peak Commonwealth and national law enforcement and drug policy forums.

The forums include the Ministerial Council for Police and Emergency Management—Police and its Senior Officers' Group, the Conference of Police Commissioners of Australasia and the South West Pacific, the Ministerial Council on Drug Strategy and the Heads of Commonwealth Operational Law Enforcement Agencies Group.

During 2009-10 the Domestic Policy section also supported the AFP Commissioner in his roles as Chair of the Australian Institute of Police Management Board of Control, as Deputy Chair of the Australian National Council on Drugs, and as a member of the Australia New Zealand Policing Advisory Agency Board, the Australasian Police Professional Standards Council and the CrimTrac Board of Management.

The Domestic Policy section also coordinates advice on domestic policy issues that impact on the AFP and supports AFP involvement in international drug policy forums. Significant achievements include:

- Representing the AFP as part of the Australian delegation to the 53rd Session of the United Nations Commission on Narcotic Drugs in Vienna in March 2010.
- Representing the AFP on the Intergovernmental Committee on Drugs, the National Drug Law Enforcement Research Fund Board, the Standing Interdepartmental Committee on International Narcotics Issues, the

National Working Group on the Diversion of Precursor Chemicals and the CrimTrac Strategic Issues Group.

- Coordinating briefings for the AFP Executive on a range of key issues such as the national response to organised crime, security industry regulation and the national youth policing strategy across a number of forums that included the Ministerial Council for Police and Emergency Management—Police and the Heads of Commonwealth Operational Law Enforcement Agencies.
- Providing strategic advice on behalf of the AFP to CrimTrac on significant cross-jurisdictional initiatives, including the development of principles of access for approved external agencies.
- Coordinating internal AFP policy forums such as the AFP CrimTrac Advisory Group.
- Through the role of the Australia New Zealand Policing Advisory Agency Liaison Officer, contributing to a range of domestic policing issues, including the professionalisation of police and protocols on cross-border cooperation and information-sharing.

Strategic and Emerging Issues

The Strategic and Emerging Issues section is responsible for coordinating and driving the AFP's input into the Commonwealth Budget process. This entailed overseeing the development and submission of central agency and whole-of-government new policy proposals and successfully guiding 15 new policy proposals through the particularly rigorous 2010-11 Budget process during 2009-10. The section's success can be largely attributed to the level of cooperation and the strength of the relationships it develops with its internal and external partners.

In 2009-10 the Strategic and Emerging Issues section continued to inform the AFP Executive's strategic thinking through the provision of papers on emerging issues in the fiscal environment, demographic trends, the implications of the Federal Audit of Police Capabilities, National Security and the Carbon Pollution Reduction Scheme, a scoping paper on the development of new policy proposals for the 2011-12 Budget and providing a high-level research framework for the AFP which was endorsed by the Executive to be implemented in 2010-11.

The section also maintained the relationship between the AFP and the Centre of Excellence in Policing and Security, signed five project agreements and negotiated several others, finalised the review of the Australasian Institute of Police Management and played a key role in reviewing quality improvement processes for the Policy Group which will be implemented in 2010-11.

In 2009-10, Strategic and Emerging Issues also embarked on a major project to develop an organisation-wide position on international engagement priorities. The Integrated International Strategy, due to be completed in the first quarter of 2010-11, will facilitate internal decision-making on international engagement, contribute to the efficient use of AFP resources and enhance the AFP's ability to participate in and influence whole-of-government policy-making.

Legal

The AFP's Legal Practice provides legal advice and services to the AFP, including General Counsel advice to the Executive on a wide range of issues, including operational and counter terrorism activities, international policing, commercial, governance, employment, litigation and information-disclosure matters.

During 2009-10, the Legal Practice provided advice on approximately 3,000 matters and also managed the AFP's panel of external legal service providers.

The Legal Practice supports AFP operational portfolios through the provision of specialist legal advice to the AFP's Executive and to investigators during all phases of an investigation, which frequently extends to legal assistance during and after trial.

The Legal Practice is also heavily engaged in developing and updating legislative powers and other policy initiatives that have legal implications for the AFP, assisting with investigative training and the implementation of legislative reforms and new legislative regimes, and providing dedicated services to ACT Policing and some regional offices.

The Legal Practice also made a significant contribution to the training of Commonwealth and State counter terrorism officers in applicable powers and duties during 2009-10, which included the publication and distribution of the "Pocketbook guide for CT investigators—Laws and Powers".

The Legal Practice also provides a dedicated legal team to the International Deployment Group which draws on the wider Legal team as required. The International Deployment Group team includes several lawyers who are deployed to AFP missions in Timor-Leste and the Solomon Islands.

Other noteworthy assistance provided by the Legal Practice was the finalisation of numerous commercial acquisitions and service arrangements in support of the International Deployment Group, including tender processes for aviation, medical and garrison support services to the Regional Assistance Mission to

Solomon Islands, and assistance during the acquisition and fit out of the new AFP headquarters.

Demand for advice on employment, industrial relations and Human Resources governance issues also remained high during 2009-10, particularly in relation to the implementation of the "All-In" model at airports and the implementation of key recommendations arising from the Federal Audit of Policing Capabilities.

The Legal Practice also advised on, and managed, a number of complex claims against the AFP and appeared before various tribunals on complex freedom of information matters.

In late 2009, the Freedom of Information team was transferred out of the Legal Practice and a dedicated Information Law team was introduced. This new team provides advice on complex information-disclosure issues, including disclosure of information pursuant to the *Australian Federal Police Act 1979*, the *Freedom of Information Act 1982*, the *Privacy Act 1988* and other similar legislation.

During the reporting period the number of information disclosure subpoenas, summonses and notices-to-produce directed to the AFP increased, and this trend is expected to continue.

The Legal Practice also expects to see an increase in work during 2010-11 that would traditionally have been performed by the Commonwealth Director of Public Prosecutions.

Operations Support

Operations Support is part of the portfolio of the Deputy Commissioner Close Operations Support. It provides centralised monitoring and initial response, coordination and communications support to AFP operations, management of the AFP's relationship and interaction with the Australian Government, partner agencies and the community, delivery of the next generation of systems and processes to align business with information technology functionality and the delivery of security networks for the handling and management of intelligence and sensitive information.

Operations Support is comprised of:

- the AFP Operations Coordination Centre
- Corporate Communications
- Government Relations
- Intelligence Strategic Program
- Spectrum Program.

Intelligence Strategic Program

The newly-formed Intelligence Strategic Program delivers the AFP's Secret and Top Secret Networks in partnership with other government agencies and the outcomes of the Collection Assessment and Storage of Sensitive Information Program. Overall delivery is consistent with the National Security Roadmap announced by the Prime Minister in April 2010 to improve the AFP's ability to handle and share sensitive and classified information and to build connectivity with the National Security Community.

The Intelligence Strategic Program is building Top Secret vaults in designated AFP Regional Offices and has begun the roll-out of Information Technology and Communications equipment that will provide the AFP with Secret and Top Secret communication and

information-sharing capabilities. Working with other specialised parts of the AFP the Program also coordinates and delivers updated business processes for operating in sensitive and classified environments and facilitates training and staff security clearances as necessary.

The Intelligence Strategic Program also works with the National Security community and National Security Chief Information Officer to realise the benefits of improved connectivity and to strengthen the AFP's contribution to Australia's broader national security goals.



Deputy Commissioner National Security Peter Drennan (second from left) signing the Memorandum of Understanding for access to Top Secret network capabilities with representatives from the Australian Security Intelligence Organisation, the Australian Attorney-General's Department, the Australian Customs and Border Protection Service and the Department of Prime Minister and Cabinet.

Corporate Communications

In 2009-10 a review into AFP communication functions initiated a revised structure and the new-look Corporate Communications team that now delivers the AFP's media, marketing, online and production services. The restructure also centralised the communications team for the first time, enabling it collectively to deliver a more efficient service and more coordinated and consistent messages to the wider AFP and to the Australian community.

National Media

The National Media team is central to fulfilling the AFP's public relations, public accountability and information-management roles.

The team operates seven days a week and maintains a 24-hour on-call capability in order to manage effectively the large volume of media enquiries and portfolio media releases the agency's activities engender. In 2009-10 the team facilitated and managed:

- more than 33,000 references to AFP activities in the broadcast and press media
- 243 media releases
- 206 interview requests
- 428 sets of talking points for spokespeople
- 24 media conferences.

National Media also provided advice and training to AFP members and the senior Executive on media management matters. The team also conducted numerous internal and external presentations during the reporting period, including to the AFP Leadership Development Program, the Senior Liaison Officer Conference, the AFP Senior Executive Induction Program and to the Australian Institute of Police Management.

In 2009-10 National Media also prepared and delivered more than 45 major media strategies on significant operations for portfolio groups and a substantial number of additional operational media strategies.

During the reporting period the National Media team prepared and delivered AFP program strategies for the following major events:

- International Missing Children's Day launch
- Australia-wide ThinkUKnow launches

- National Week of Action—drugs being imported via parcel post
- opening of the Australian Illicit Drug Data Centre
- Age-Progression Poster launch
- Operation Pendennis-Eden
- National Missing Persons Week
- People smuggling operations
- National Police Remembrance Day
- AFP Open Day
- Commissioner Negus' appointment
- Increase in AFP deployment to Afghanistan
- Fraud Awareness Week.

The National Media team also actively engaged with stakeholders and played an extensive role in the management and coordination of joint agency media strategies during the 2009-10 reporting year, working with State police media teams, non-government agencies and State and Federal government agencies in developing media strategies and events. They included the Department of Immigration and Citizenship, the Australian Customs and Border Protection Service, the Federal Attorney-General's Department, the Department of Foreign Affairs and Trade, the Minister for Home Affairs Office and the Prime Minister's Office.

During 2009-10 the AFP also moved to a strategic media operations model to promote a broader understanding in the media and in the community of AFP operations and its roles and responsibilities in national and international forums.

Plans were also implemented during 2009-10 to increase opportunities for National Media team members to provide a sustainable future for them in a rapidly changing technological environment.

National Marketing

The National Marketing team made significant changes during 2009-10 to improve and streamline the services the team provides to internal and external partners, stakeholders and clients.

The National Marketing team supports and services AFP-led campaigns, internal and external communications, hard and soft copy publications, event management, develops and produces marketing collateral and provides brand protection and evolution and strengthening of the visual identity guidelines.

The level of strategic advice also improved during the reporting period, providing better final outcomes with less input. More focus is now placed on developing an effective communications strategy as a first step to determine clients' needs before beginning a course of action.

During 2009-10 the Internal Communications team produced a strategy to inform members of the new security regime that would accompany the move to the new AFP headquarters, an occupational health and safety campaign to improve education and awareness of safety issues, a range of campaigns and material to educate and inform staff of the achievements and developments in the AFP's International Deployment Group, produced a range of products to publicise Project Macer and to improve members' knowledge and understanding across a wide range of areas, particularly on professional standards and employees' responsibilities.

AFP News Online was regenerated during 2009-10 and became increasingly popular, providing employees with an excellent source of information about the achievements of their fellow employees while Platypus, the AFP's flagship

publication, offered a more in-depth perspective of AFP operations and activities.

Separating the Web and Production functionalities also had tangible benefits, encouraging specialist skills and a more efficient delivery method resulting in increased demands from portfolios wanting to take advantage of the improved skills, processes, technology and materials.

During 2009-10 the Campaigns team delivered a highly successful National Missing Persons campaign and promoted Youth Week, Day for Daniel and International Missing Children's Day to heighten community awareness of missing children. The team also launched a series of age-progression posters showing how missing persons might look now and launched the ThinkUKnow campaign in schools around the country to educate parents, teachers and carers about the dangers of the online environment and to provide ways of keeping children safe when they do use the internet.

Other major initiatives included promoting the revamped AFP Operations Coordination Centre and policing in airports and conducting market research to find improved ways of attracting culturally-diverse candidates to the AFP.

Several keynote speeches, annual reports and a range of more general information were also developed and delivered during 2009-10, providing stakeholders and the community with a broader overview of Commissioner Negus' vision for the agency.

During 2009-10 the AFP held a very successful Open Day in Canberra to celebrate 30 years of AFP service and to connect with the community. The event not only showcased AFP capability and capacity in a variety of fields, it provided

a better understanding of the work the AFP does domestically and internationally. This event coincided with others held in various offices in Australia and at liaison posts around the world and attracted approximately 15,000 visitors to the ACT event alone.

Production

The AFP's Production team is an important part of the new AFP Corporate Communications model adopted in 2010. Formed as a feeder stream to the National Marketing and Media teams, Production is responsible, in conjunction with the AFP National Media and Marketing units, for producing external and internal multi-media items such as video, photography and audio products on events and campaigns relevant to the AFP.

The team is also responsible for managing the AFP's video conferences and the theatrette, producing newsworthy products for the new AFP website and producing promotional and public educational material and media training.

In a short period the Production team has already produced a large number of photography and video items, several in-house and external campaigns and productions and, in conjunction with operational portfolios, produced audio and video products on AFP-led events in Cambodia, Timor and Tonga.

The addition of the team not only enhances the AFP's role in relation to the production of informative and educational material, it also highlights the work and presence of the agency both nationally and internationally.

The AFP's conferencing centre, due to open in November 2010, will provide the organisation with the ability to host professionally-run conferences and

functions. It will house the majority of the Production team's capability, include editing and studio components, cover-off on all audio-visual aspects, boast a "green room" monitoring area for guests, have its own manager and will seat approximately 100.

Online

The Online Services Team is responsible for managing and maintaining the AFP's other website and also supports several, affiliated, websites. The team also supports various online communications projects and is currently expanding its capacity to comprise both internal and external e-communications initiatives. A strong culture of innovation, efficiency and strategic business improvement is at the heart of this team's focus.

In May 2009 a project to redevelop the external AFP and ACT Policing websites began. The purpose of the redevelopment project was two-fold, to upgrade the sites' hosting platform, content management system and user interface and to procure a dedicated provider for ongoing system support and maintenance over an initial two-year period.

Both websites were successfully launched on 28 April 2010, offering a range of interactive and engaging features such as video news segments, audio grabs, image galleries and electronic news feeds to desktop and portable devices. A media extranet, hosting high-resolution, broadcast-quality content, is also maintained for use by external media broadcasters.

The redevelopment of both websites aligns closely with the key business objectives set out in the AFP Business Plan 2008-09, to:

- affirm the AFP's reputation as a world-class organisation and employer of choice

- exploit the technology revolution by ensuring best-practice in information-sharing and management
- strengthen the collaboration, flexibility, alignment and accountability between different AFP business areas in line with the review of the AFP functional business model that emphasises providing client-focused, high-quality enabling services to the AFP
- maintain strong relationships with our key partners and stakeholders through the effective sharing of information.

Through the delivery of timely, high-quality, online information and services the Online team enhances AFP communications with external stakeholders and builds upon an already strong international reputation.

Australian Federal Police Museum

The Australian Federal Police Museum is responsible for collecting, preserving and interpreting the objects that best represent the AFP, its history and its wide-ranging achievements and displaying them in a variety of formats to inform, educate and interest members of the public and AFP members.

During 2009-10 the Museum delivered several major projects to showcase the AFP's history, the agency's contribution to the Bali bombings investigation, the 30th Anniversary Open Day and created a foyer display at AFP Headquarters in Canberra around the theme *30 years: 30 Treasures of the AFP Museum*. The exhibition complemented the booklet produced to commemorate the 30th Anniversary event which can be accessed on the new website.



These counterfeit \$2 coins seized in Sydney in May 2005 became part of the Museum's collection during 2009-10.

The Museum also gave generous assistance to the Canberra Museum and Gallery's exhibition *Caught in the ACT*, providing the Museum with approximately 75 per cent of the objects on display, and contributed to the online exhibition *Not So Ordinary Objects*.

During 2009-10 the Museum created the AFP's Canberra display, the United Nations Day display and developed new displays for the Winchester Police Centre. Forty-five research enquiries were also completed, supplying information, images and other material to clients.

The Museum's collection was enhanced during the reporting period by the acquisition of the Memorial Board dedicated to Adam Dunning, the Protective Service Officer who died in the Solomon Islands in 2004.

Government Relations

Government Relations manages the AFP's relations and communications with government through the Minister for Home Affairs' Office and with Parliament, in particular its interaction with Parliamentary committees. Government Relations will also advocate the AFP law reform program with partner agencies, facilitates public access to the AFP's information pursuant to the *Freedom*

of Information Act 1982, and provides monthly reports to the Minister for Home Affairs and input into the Department of Prime Minister and Cabinet's reporting to Cabinet.

Ministerial

The Ministerial team is the primary point of contact between the AFP and the offices of the Australian Attorney-General and the Minister for Home Affairs and is responsible for the coordination of all parliamentary documents, Estimates briefings, answers to Questions on Notice and Committee documents and is responsible for the Cabinet Liaison function.

The AFP has a Law Enforcement Liaison Officer in the office of the Minister for Home Affairs who provides a single point of contact for Ministerial staff to the offices of the Minister for Home Affairs and the Australian Attorney-General.

The Law Enforcement Liaison Officer is supported by, and works closely with, the Ministerial team and maintains a key operational relationship with both Ministerial offices to provide timely advice on law enforcement matters.

Legislation Program

The Legislation Program section pursues AFP law reform agendas with Government and coordinates AFP input into legislative

review and reform processes. In particular, it gathers and consolidates information from within the organisation about issues arising in the operating environment that may warrant legislative treatment, coordinates AFP submissions to reviews of existing legislation, supports the Australian Attorney-General's Department in its management of specific legislative reform relevant to the AFP, and assists that same Department in the scrutiny of proposals for enforcement powers by other Commonwealth agencies.

The most significant legislative amendments progressed by the section in cooperation with the Australian Attorney-General's Department were contained in the:

- *Crimes Legislation Amendment (Serious and Organised Crime) Act 2010*
- *Crimes Legislation Amendment (Serious and Organised Crime) Act (No. 2) 2010*
- *Crimes Legislation Amendment (Sexual Offences Against Children) Act 2010*
- *Telecommunications (Interception and Access) Amendment Act 2010.*

The amendments contained in the Serious and Organised Crime Acts have enhanced police powers, enabling police to more effectively prevent, investigate and prosecute organised criminal activity and target the proceeds of organised crime groups.

Table I: Ministerial work progressed

	2007-08	2008-09	2009-10
Ministerial Briefings, including PPQs/QTBs/ MOBs	805	996	726
Items of Ministerial correspondence	520	701	620
Questions on Notice	9	9	8
Senate Estimates briefs, including answers to Questions on Notice	152*	241	182

* Supplementary Budget Estimates not held due to 2007 Federal Election.

The Sexual Offences Against Children Act has significantly strengthened child sex tourism offences and introduced a child pornography and child abuse material forfeiture scheme.

The Telecommunications Amendment Act created a network protection regime and authorised the use of telecommunications interception material in control order and preventative detention order applications.

The Anti-People Smuggling Act enhanced and strengthened the people smuggling offence regime in the *Criminal Code Act 1995* and the *Migration Act 1958*. Key reforms include the creation of offences for providing material support or resources towards a people smuggling venture and aggravated offences where a people smuggling offence involves exploitation or danger of death or serious harm.

The Australian Information Commissioner Act and the Freedom of Information Amendment (Reform) Act implement the federal government's policy to reform the *Freedom of Information Act 1982* to promote a pro-disclosure culture across government and build a stronger foundation for openness.

The implementation of the reforms will be a staged process with the majority of the reforms, including the creation of the Australian Information Commissioner, to commence on 1 November 2010.

Other amendments still being progressed through Parliament by the Program in cooperation with the Australian Attorney-General's Department and the Department of Treasury include the National Security Legislation Amendment Bill 2010, the Parliamentary Joint Committee on Law Enforcement Bill 2010, the Law and Justice Legislation Amendment

(Identity Crimes and Other Measures) Bill 2008, the Aviation Crimes and Policing Legislation Amendment Bill 2010, the Telecommunications Interception and Intelligence Services Legislation Amendment Bill 2010, the Crimes Legislation Amendment Bill 2010, the Human Rights (Parliamentary Scrutiny) Bill 2010 and the Tax Laws Amendment (Confidentiality of Taxpayer Information) Bill 2009.

During the 2009-10 reporting year Legislation Program also coordinated the AFP's participation in a number of reviews and inquiries, including the statutory review of Part ID (Forensic Procedures) under the *Crimes Act 1914*, the Australian Attorney-General's Department's National Security Legislation Discussion Paper law reform process, the same Department's review of maritime enforcement law and the Australian Law Reform Commission's review of Commonwealth secrecy laws.

Spectrum

The Spectrum Program is a \$108 million New Policy Initiative that has been funded over four years by the Australian Government and the AFP to deliver business and information technology projects in direct support of AFP operations.

Spectrum projects will support the AFP's ever-increasing Policing and Intelligence responsibilities by working to improve and define best-practice business processes and provide the latest technology and intelligence systems to support these improved practices.

The AFP is taking a best-practice approach to this major program of change and internationally-recognised initiatives have been adopted to ensure the Spectrum Program delivers the required

business outcomes. These include business-identified benefits informing project definition and delivery.

In December 2009 the Spectrum Program went through the Department of Finance and Deregulation's Gateway Three independent review process and passed with a green rating. The Gateway Review report stated that the case for investing in the Spectrum Program remains sound.

The Spectrum Program has delivered the first phase of the program with Information Technology solutions and improved business processes and other deliverables to inform the direction of projects scheduled for the second and third phases of the program.

The second phase of the program is progressing and planning has already begun for the third and final phase. The AFP's ongoing investment in strategic capabilities such as people, information, intelligence and technology will enable the agency to continue to provide dynamic and effective policing and intelligence to the people of Australia.

05

Governance and Accountability

Australian Federal Police / **Annual Report 2009-10**



Governance and Accountability

Key Committees Framework

The AFP Key Committees Framework sets out the agency's key decision-making groups and outlines their primary and specific responsibilities, membership, meeting frequency and accountabilities.

In April 2008, the Strategic Leaders Group defined the AFP's key committees framework as follows:

Executive Management

Strategic Leaders Group

Strategic Committees

The Strategic Committees address issues that correspond to the specific responsibilities of the Strategic Leaders Group and are expected to provide regular and strategic information to the group.

The committees are the:

- Finance Committee and its sub-committee Performance and Budget Monitoring Committee
- Workforce Committee
- Audit Committee
- Security Committee
- Strategic Investment Committee
- Remuneration Committee.

Operational Committees

The Operational Committees were established by the Strategic Leaders Group to facilitate senior managers' operational awareness and prioritisation across the organisation as a whole without an undue emphasis on the priorities of any one function. The designation is also used for committees of such importance that they warrant this designation.

The committees are the:

- Witness Protection Committee
- AFP National Operations Committee
- Investigations Advisory Group
- Joint Operations Monitoring Centre Group
- National Occupational Health and Safety Management Committee.

Insurance and Risk Management

The AFP embraces risk management as an integral part of its business and has adapted the Australia–New Zealand Standard of Risk Management to cater for its specific needs. During 2009-10 the AFP began transitioning to the International Standard for Risk Management ISO 31000:2009.

The AFP assesses risk as part of the procurement and contract life cycle and, as such, has policies and procedures for the management of insurance and risk which are embedded in AFP business planning practices.

The AFP also focuses on specific areas of risk, including occupational health and safety, fraud control and financial and commercial practices, and conducts risk assessments for all large procurement activities.

During 2009-10 the Strategic Risk Management team within Policy and Governance continued to deliver AFP-specific risk and business continuity management training across the organisation. The AFP has business continuity plans in place for each of its key sites across Australia.

Disaster recovery plans are also in place for the crucial information and communications technology services that support AFP operations and, in the event of an influenza pandemic, business continuity is planned for and managed in a whole-of-government context in line with the requirements of the Department of Prime Minister and Cabinet.

The AFP plays a key role in whole-of-government business continuity arrangements and a number of exercises have been undertaken to ensure the effectiveness of the plans.

Comcover insurance arrangements are also key to the AFP's risk mitigation strategies for managing financial risk. They provide us with a range of insurance services for:

- public and professional indemnity liability
- property loss and business continuity
- AFP-owned motor vehicles in Australia and overseas
- short-term overseas travel that encompasses both medical emergencies and personal effects.

The AFP also participated in the Comcover Risk Management Benchmarking Survey during 2009-10, which resulted in a five per cent discount to the AFP's Comcover insurance premium.

Fraud Control and Anti-Corruption Plan

To manage the risk of fraud and corruption across the AFP all national managers, managers and coordinators maintain controls and implement the actions contained in the Fraud Control and Anti-Corruption Plan.

In accordance with the requirements of the Commonwealth Fraud Control Guidelines 2002, the AFP 2009-11 Fraud Control and Anti-Corruption Plan came into effect during 2009-10.

The Plan addresses the fraud and corruption risks faced by the agency and ensures that risk treatments are continually monitored and assessed for their effectiveness.

New and emerging risks are identified, treated and reviewed on a quarterly basis and progress on the Plan's implementation is reported to the Security Committee and the Australian Attorney-General's Department each year throughout its life cycle.

Commissioner's declaration

In accordance with guidelines 1.9 and 2.8 of the Commonwealth Fraud Control Guidelines 2002, the AFP Commissioner certified that appropriate fraud prevention, detection, investigation, reporting and data-collection procedures and processes were in place.

Internal Audit

The Commissioner has established the Internal Audit function (within Internal Audit and Business Analysis) as a key component of the AFP's governance framework. The Annual Internal Audit Program was developed using a risk-based approach and endorsed by the AFP Audit Committee. A mixture of in-house and outsourced resources are used to deliver the program with audit reports being tabled for consideration at Audit Committee meetings each quarter

External Scrutiny

Parliamentary Committees

In 2009-10 the AFP appeared before the Senate Standing Committee on Legal and Constitutional Affairs on:

- 19 October 2009: Consideration of Supplementary Budget Estimates.
- 23 February 2010: Consideration of Additional Estimates.
- 25 May 2010: Consideration of Budget Estimates.

The AFP also appeared before other Parliamentary Committees on:

- 9 September 2009: House of Representatives Standing Committee on Communications. Inquiry into Cybercrime.

- 20 August 2009: Joint Parliamentary Standing Committee on Public Works. Capital works proposal of locating the AFP Operations Coordination Centre in the Edmund Barton Building in Canberra.
- 28 August 2009: Senate Legal and Constitutional Affairs Committee. Crime Legislation Amendment (Serious and Organised Crime) Bill 2009.
- 29 October 2009: Senate Legal and Constitutional Affairs Committee. Crime Legislation Amendment (Serious and organised Crime) Bill (No. 2) 2009.
- 21 April 2010: Parliamentary Joint Committee on Foreign Affairs, Defence and Trade. Inquiry into Australia's relationship with the countries of Africa.
- 13 May 2010: Parliamentary Joint Committee on Intelligence Security. Implementation of Clarke and Street reviews.

The AFP made submissions to Parliamentary Committees on:

- 1 July 2009: House of Representatives Standing Committee on Communications. Inquiry into Cybercrime.
- 6 July 2009: Parliamentary Joint Committee the Australian Commission for Law Enforcement Integrity: Inquiry into the operation of the *Law Enforcement Integrity Commissioner Act 2006*.
- 25 June 2010: Joint Select Committee on Cyber-Safety. Inquiry into the safety of children and young people on the Internet.

Commonwealth and Law Enforcement Ombudsman Reports

During 2009-10 the Commonwealth and Law Enforcement Ombudsman undertook a number of reviews and investigations pursuant to its function.

Reviews of AFP Complaint Management

Division 7, Part V of the *Australian Federal Police Act 1979* requires the Commonwealth Ombudsman to conduct at least one annual review of the AFP's administration of Part V of the *Australian Federal Police Act 1979* and report annually to Parliament on his activities under that Part.

On 2 February 2010, the Commonwealth Ombudsman tabled his report to Parliament covering his activities under Part V of the *Australian Federal Police Act 1979* during the period 2008-09. This report noted the considerable effort the AFP put into making improvements to its complaint management framework. The Commonwealth Ombudsman further noted that he was encouraged by the AFP's positive response to the reviews and its willingness to consider changes to improve performance.

During 2009-10, the Commonwealth Ombudsman conducted two reviews. The first review was conducted pursuant to section 40XA of the *Australian Federal Police Act 1979* covering the period 1 February 2009 to 31 July 2009. The Commonwealth Ombudsman made a total of three recommendations in his report of this review.

The second review was an ad hoc review undertaken pursuant to section 40XB of the *Australian Federal Police Act 1979*. This review had a specific objective, to analyse the establishment rate for complaints received from members of the public as opposed to internally-generated complaints. This review covered the period 1 August 2009 to 28 February 2010 and contained as well all complaints relating to use of force reported between January 2007 and November 2009. The Commonwealth Ombudsman made four recommendations relating to use of force issues identified in his review.

Own Motion Investigations

During 2009-10, the Commonwealth Ombudsman reported on two investigations into administrative issues within the AFP as well as beginning an investigation.

Investigation into a Senior AFP Officer

In 2009, the Commonwealth Ombudsman conducted an investigation into an AFP Professional Standards investigation of a complaint against a senior AFP officer. An abridged version of the final report was published on the Commonwealth Ombudsman's website on 15 December 2009.

The Commonwealth Ombudsman made six recommendations in his report. Five related to complaint management practices and procedures and one related to operational procedures within ACT Policing.

Investigation into three incidents involving bail decisions

During 2009-10, the Commonwealth Ombudsman reported on his investigation into three complaints concerning bail decisions made by ACT Policing. The Commonwealth Ombudsman made five recommendations.

As a result of the investigation, the Commonwealth also recorded an administrative deficiency against the AFP in relation to one of the complaints.

Investigation into payments to witnesses

In March 2010, the Commonwealth Ombudsman notified the Commissioner that he was beginning an investigation into the practices and procedures around payments by the AFP to persons who provide information to the AFP as part of a criminal investigation. This investigation is ongoing and it is expected the Commonwealth Ombudsman will report on the outcomes of his investigation during 2010-11.

Section 8 Investigations

During 2009-10, the Commonwealth Ombudsman issued AFP Professional Standards with 57 notices under section 8 of the *Ombudsman Act 1976* advising of his intention to begin an investigation and requesting information from the AFP. This is a 300 per cent increase on the previous year's.

These section 8 notices sought information in relation to the following types of matters:

- Category 1 Complaint (6)
- Category 2 Complaint (22)
- Category 3 Complaint (14)
- Matters not related to alleged misconduct (15).

Administrative Deficiencies

Section 15 of the *Ombudsman Act 1976* lists the grounds on which the Commonwealth Ombudsman can formally make a report to an agency, and ultimately to the Prime Minister and Parliament. Most complaints to the Commonwealth Ombudsman are resolved informally, however the Commonwealth Ombudsman may record an administrative deficiency in some instances. The purpose of recording an administrative deficiency is not to reprimand the agency but to draw attention to possible issues that warrant further consideration and improvement.

During 2009-10 the Commonwealth Ombudsman recorded six administrative deficiencies against the AFP:

- 1 The administrative deficiency recorded on 29 January 2010 related to a complaint from a former member of the AFP regarding the handling of a complaint by a Complaint Management Team. The Ombudsman recorded the administrative deficiency on the basis of procedural deficiency.
- 2 The administrative deficiency recorded on 9 March 2010 related to a complaint from a member of the public about the conduct of a search warrant. The Ombudsman recorded the administrative deficiency on the basis that there was a legal error.
- 3 The administrative deficiency recorded on 12 March 2010 resulted from one of the complaints examined in the Ombudsman's Own Motion Investigation into three incidents involving bail decisions. The Ombudsman found the AFP information system for recording information about bail conditions in the Australian Capital Territory was deficient at the time that the decisions were made in November 2007.

4 The administrative deficiency recorded on 20 May 2010 related to a complaint from a seconded member of the AFP regarding the conduct of an AFP Professional Standards investigation into a complaint he had made to the AFP. The Ombudsman recorded an administrative deficiency on the basis of procedural deficiency.

5 The administrative deficiency recorded on 28 May 2010 related to a complaint from a member of the public regarding the handling of a complaint by a Complaint Management Team. The Ombudsman recorded an administrative deficiency on the basis of unreasonable delay in the resolution of the complaint.

6 The administrative deficiency recorded on 8 June 2010 related to a complaint from a member of the public regarding a determination by Professional Standards that information she had raised did not constitute a complaint under Part V of the *Australian Federal Police Act 1976* as the matter had been heard by a court of law. The Ombudsman recorded an administrative deficiency on the basis of legal error as AFP Professional Standards had failed to follow the requirements of the Act for dealing with the information.

Australian Commission for Law Enforcement Integrity

On 23 October 2009 the National Manager Human Resources and the Manager AFP Professional Standards appeared before the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity Inquiry into the Operation of the *Law Enforcement Integrity Commissioner Act 2006*.

Commonwealth Disability Program

The AFP periodically reviews its policies, protocols, guidelines and practices to ensure the compliance requirements of the *Disability Discrimination Act 1992* are met.

A Diversity Forum was held by the AFP in 2009 to workshop a way forward, with the result the Diversity Council of Australia was contracted to conduct a diversity audit across the organisation. The outcomes of that audit are still being considered.

The AFP is also conducting disability consultative focus groups to identify the current and possible future needs of AFP employees and the organisation.

Auditor-General Reports

The Australian National Audit Office audited the AFP's financial statements and performance measures relating to the AFP's community policing contract with the Australian Capital Territory Government during the reporting period.

The Audit Committee continued to assess Auditor-General performance audit reports for their relevance to the AFP and to implement relevant measures. While a number of reports were referred to the appropriate business areas in the AFP for them to note and consider relevant measures, none were considered as requiring Audit Committee follow-up.

In 2009-10 the AFP was not the primary subject of any report tabled in Parliament by the Auditor-General. However, the AFP was an active participant in three cross-agency audit reports that were tabled:

- No. 14—Government Agencies' Management of Small to Medium Size Contracts

- No. 17—Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2009
- No. 42—Fraud Control in Australian Government Agencies.

At 30 June 2010 the Australian National Audit Office was undertaking AFP-specific audits of Management of New Policy Initiatives and Protection Services. The AFP is also currently involved in two other cross-agency audits. They are:

- ADF Peacekeeping Operations
- National Security Hotline.

The reports for these audits are expected to be tabled in Parliament in 2010-11.

Ecological Sustainability Development and Environmental Performance

Fleet

The AFP continues to monitor the energy efficiency of its fleet. Policies are in place to encourage the selection of four-cylinder vehicles for administrative duties and using alternative fuels such as LPG and diesel.

The AFP has 205 four-cylinder vehicles, making up 18 per cent of the fleet, which is 19 more than in 2008-09. It also has 79 dedicated LPG vehicles, making up 6.9 per cent of the fleet, which is five more than in 2008-09. Further, the fleet at ACT Policing's Gungahlin Station includes four dedicated LPG vehicles, and three hybrid pool vehicles have also been introduced into the ACT Policing fleet.

Major capital works

A number of ecologically-sustainable development targets were proposed and implemented for the AFP's infrastructure projects, including the refurbishment and fit-out of the new headquarters and the redevelopment of the Australian Institute of Police Management.

These include:

- Implementing the National Australian Built Environment Rating Scheme of four and a half stars or more at the new headquarters.
- Implementing the National Australian Built Environment Rating Scheme of four stars or more in the Administration building at the Australian Institute of Police Management.
- Implementing the principles of the Greenstar rating scheme to promote the use of environmentally efficient design, sustainable materials and recyclable products.
- Adopting waste management systems to include segregation of waste into recyclable, organic and waste-to-landfill.
- Using energy-efficient lighting and lighting control systems.
- Adopting water conservation initiatives such as dual flush cisterns, fitting water efficient flow restriction devices to all fixtures and rainwater harvesting.
- External lighting controls to ensure lighting is only utilised when it is required.

The Australian Institute of Police Management is also meeting its commitments under its Historic Heritage Management Plan.

A close-up photograph of an Australian Federal Police uniform. The focus is on a star-shaped badge on the right shoulder, which features the Australian coat of arms and the words 'AUSTRALIAN FEDERAL POLICE'. The background is a blurred view of another uniform.

06

ACT Policing

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ACT Policing

Our Role

ACT Policing, the activities performed under Outcome 2, is the community policing arm of the Australian Federal Police. We are responsible for providing quality policing services to the people of the Australian Capital Territory in accordance with the Policing Arrangement approved in June 2006 between the then Commonwealth Minister for Justice and Customs and the Australian Capital Territory for the provision of police services to the Territory. This arrangement is valid for five years.

The policing arrangement provides for a purchase agreement to be established between the Australian Capital Territory's Minister for Police and Emergency Services, the Chief Police Officer for the Territory and the Commissioner of the AFP for the provision of policing services to the Territory. The agreement specifies the type and level of services required by the Australian Capital Territory Government on an annual basis and the agreed price of those services.

Our Intent

We strive to deliver a professional, innovative and effective policing service in an ever-changing environment for all the people of Canberra.

Our Values

We are a values-driven organisation and our core values of integrity, commitment, excellence, accountability, fairness and trust represent our principles and standards.

Our People

The Chief Police Officer for the Australian Capital Territory is Assistant Commissioner Roman Quaadvlieg.

ACT Policing employs both sworn and unsworn personnel, with approximately 73 per cent of staff being sworn police members this reporting period and approximately 27 per cent being unsworn.

Our Performance

ACT Policing is directly accountable to the Australian Capital Territory's Minister for Police and Emergency Services for achieving policing outcomes and for delivering outputs as defined in the annual purchase agreement and the Ministerial Direction issued by the Minister on 18 August 2009.

The annual agreement includes 34 specific performance measures by which ACT Policing's service to the community is assessed, including crime levels, response times, public confidence and road safety.

Copies of ACT Policing annual reports are available from the ACT Policing Media and Marketing team (phone (02) 6256 7460) or at www.police.act.gov.au

A close-up photograph of an Australian Federal Police uniform. The focus is on the right shoulder, showing a detailed crest with a star and the words 'AUSTRALIAN FEDERAL POLICE'. Another uniform is visible in the background, slightly out of focus.

07

Appendixes

Australian Federal Police / **Annual Report 2009-10**



Appendixes

Appendix 1: Disclosure of Information

Freedom of Information

This appendix provides information required under section 8 of the *Freedom of Information Act 1982*.

The AFP releases documents pursuant to the Freedom of Information Act, the *Privacy Act 1988* and the AFP Regulations. Many documents are also made available to the public via the AFP's website. Details of requests received by the AFP for information during 2009-10 are shown in Table 1.

The Freedom of Information team facilitates public access to AFP documents consistent with the provisions of the *Freedom of Information Act 1982*.

Under section 23 of the Act, the Freedom of Information team leader and senior team member are authorised to make initial decisions.

In keeping with the number of requests made over the past three financial years, each being higher than the preceding year, there were 278 requests made in 2009-10 compared with 270 in 2008-09. There was also an increase in requests from the media.

Freedom of Information applicants want access to information concerning past or present investigations conducted by the AFP and its predecessor organisations

which often requires an extensive search of AFP information holdings and can involve the examination of many hundreds of pages of documents. These documents invariably require the careful and resource-intensive examination of all contents in order to respect the right of access by the applicants without unduly prejudicing personal privacy considerations and AFP law enforcement activities.

In particular, the Freedom of Information team continued to process requests regarding Operation Rain and people smuggling operations in 2009-10. These requests could be complex and aspects of them are complicated further due to the shared information the AFP holds from other local or international agencies, some of whom are exempt agencies under the Freedom of Information Act.

On 13 May 2010, as a result of the Government's Freedom of Information reform package, the Freedom of Information Act was amended by the *Australian Information Commissioner Act 2010* and the *Freedom of Information Amendment (Reform) Act 2010* when they were passed by Parliament. Both Acts will come into operation on 1 November 2010 and the AFP is reviewing its current processes in preparation for the proposed changes. Further information regarding the changes to the Freedom of Information Act can be found at www.pmc.gov.au.

In 2009-10 the AFP submitted quarterly and annual returns under the Freedom of Information Act for the Department of Prime Minister and Cabinet's report to Parliament under section 93 of the Freedom of Information Act. Detailed information about the AFP's Freedom of Information Procedures appears in Appendix 1, Table 1. Information on making Freedom of Information requests to the AFP can be found on the AFP's website at www.afp.gov.au.

Freedom of Information Procedures and Contact Points

Requests for access to documents under the Freedom of Information Act and requests for internal reviews of decisions made under the Freedom of Information Act should be addressed to:

Freedom of Information Team
Australian Federal Police
GPO Box 401
CANBERRA ACT 2601

Requests for access to documents held by the AFP should include the following details:

- the applicant's full name
- their date of birth
- a postal address in Australia
- a detailed description of the documents requested.

Requests can be delivered to any AFP office or forwarded directly to the Freedom of Information team at the address above.

An application fee of \$30.00 applies to all requests made under the Act and further charges apply for the processing of applications. An application fee of \$40.00 also applies to all applications for an internal review of decisions made

under the Act. Fees and charges may be reduced or remitted for any reason, including that payment would result in financial hardship to the applicant or that the provision of access to the documents is in the public interest.

With effect from 1 November 2010 the application fee (including the fee for internal review) will no longer apply due to the commencement of the *Freedom of Information (Reform) Act 2010*. Additionally, no charges will apply to applicants seeking access to their own personal information under the Freedom of Information Act. For all other applications, the first hour of decision-making time will be free (except for journalists and not-for-profit community groups where the first five hours of decision-making time is free) and applications not decided within the statutory time frame will be processed free of charge. Further information regarding fees and charges can be found at www.pmc.gov.au. Payments should be made payable to the Receiver of Public Monies.

In addition to the team leader and senior team member of the Freedom of Information team, the Deputy Commissioner Close Operations Support, the National Manager Operations Support and Manager Government Relations are also authorised, pursuant to section 23 of the Freedom of Information Act, to make decisions concerning fees and charges and the release or exemption of documents under the Freedom of Information Act.

Should an applicant apply to view original documents held by the AFP, facilities will be made available, where possible, at the closest regional AFP office to the applicant's residential address.

Further information regarding any Freedom of Information matter can be obtained by contacting the Freedom of Information team by mail, email (at freedomofinformation@afp.gov.au) or by phoning (02) 6131 6131).

There are also different fees payable to access documents not covered by the Freedom of Information Act. For information on obtaining a copy of a motor vehicle accident or an incident report relating to a property offence in the Australian Capital Territory, phone (02) 6245 7417. For information on obtaining an incident report relating to an offence against a person in the Australian Capital Territory, phone (02) 6245 7435.

For information on obtaining a character check or criminal and traffic conviction report, phone (02) 6202 3333.

For information relating to personal information under the *Privacy Act 1988*, requests should be made to the Freedom of Information team.

Types of documents

The AFP holds documents on a range of topics which are broadly categorised as:

- agenda, minutes and decisions, including internal and external meetings

and ministerial, interdepartmental and general correspondence and papers

- internal administration papers, including accounting and financial records, legal records and staff and staffing records
- guidelines and training materials, including Commissioner's Orders, national guidelines and practical guides relating to AFP operations and legislative procedures
- briefing papers, including briefs, submissions and reports to the AFP Executive and the Minister for Home Affairs. These generally relate to the development of AFP policy or are provided as background to particular administrative decisions in database records including computer files, printouts and statistical data.

Documents available free of charge upon request

A range of publications are available free of charge through the Media Centre link at www.afp.gov.au

Services and documents available for a fee

A list of services and documents available for a fee are available through the Services for Government link at www.afp.gov.au

Table 1: AFP information requests 2009-10

Category	2008-09	2009-10
Freedom of Information	270	278
General requests for documents under AFP Regulations	898	885
Requests for accident record documents under AFP Regulations	1,940	1,614
Requests for personal information under the Privacy Act	1	3
Total	3,109	2,780

Appendix 2: Corporate Identity

Table 2: Complaints submitted by category during 2009-10

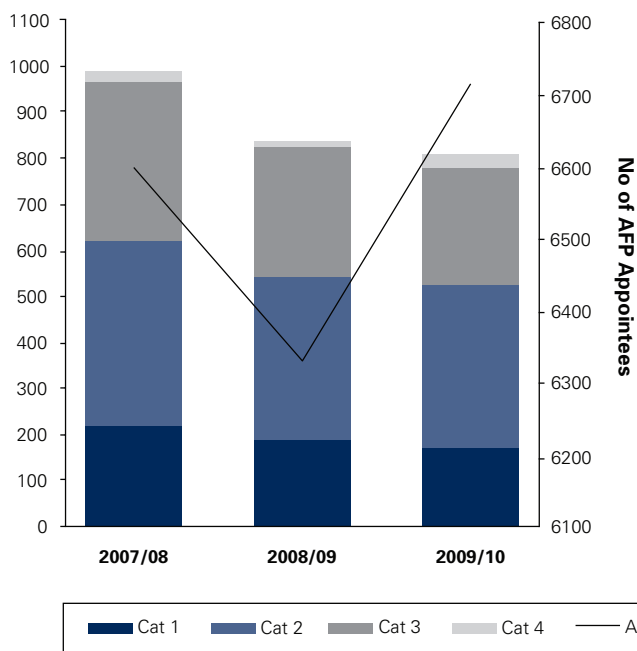
Total AFP	Total Complaints	Codings within complaints
Category 1	176	405
Category 2	348	601
Category 3	256	409
Corruption Issues	22	25
Totals	802	1,440

Outcome 1	Total Complaints	Codings within complaints
Category 1	47	100
Category 2	212	341
Category 3	171	261
Corruption Issues	20	23
Totals	450	725

Outcome 2	Total Complaints	Codings within complaints
Category 1	129	305
Category 2	136	260
Category 3	85	148
Corruption Issues	2	2
Totals	352	715

Notes: Codings are individual conduct issues identified within a complaint.

Multiple codings may be applied where two or more conduct issues are identified from information supplied by a complainant or where two or more members are subject to the complaint.

Chart A: Complaint trends 2007-08 to 2009-10**Table 3: Complaints submitted by source during 2009-10**

Source	Total Complaints	Percentage
Anonymous Member of the Public	15	1.87%
Member of the Public	447	55.74%
Reporting Another AFP Member	303	37.78%
Self Reported	37	4.61%
Totals	802	100%

Table 4: Status of complaints as at 30 June 2010

	Finalised	Outstanding	Total
Category 1	191	47	238
Category 2	343	104	447
Category 3	120	254	374
Corruption Issues	3	26	29
Totals	657	431	1,088

Note: This table includes matters reported before 1 July 2009 that had not been finalised prior to that date.

Table 5: Finalised conduct issues by category and findings during 2009-10

Total AFP	Established	Not Established	Discretion Not To Proceed	Withdrawn
Category 1	43	323	17	27
Category 2	168	356	35	16
Category 3	65	116	18	17
Corruption issues	2	4	0	0
Totals	278	799	70	60

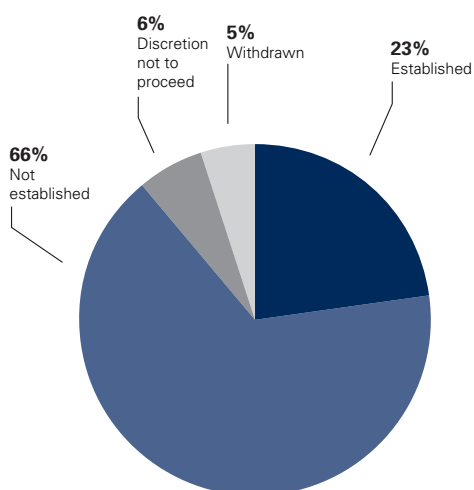
Chart B: Total AFP findings

Table 6: Top 10 established conduct issues for the AFP during 2009-10

Issue	Number of Established
Fail to comply with direction or procedure	60
Breach of the AFP Code of Conduct	35
Serious Breach of the AFP Code of Conduct	25
Inappropriate Behaviour	21
Serious Breach of Directions or Procedures	13
Diligence Failure	12
Discourtesy	12
Minor Breach of the AFP Code of Conduct	12
Property Accounting Failure	12
Inadequate Service	9

Chart C: Conduct issue trends 2007-08 to 2009-10

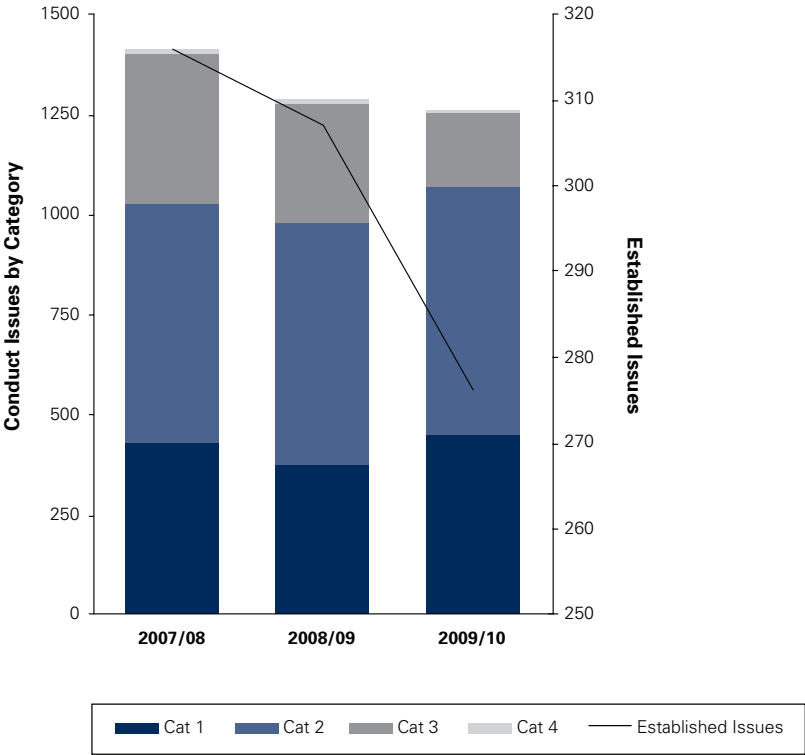


Table 7: Finalised conduct issues for Outcome 1 by category and findings during 2009-10

Outcome 1	Established	Not Established	Discretion Not To Proceed	Withdrawn
Category 1	11	73	9	6
Category 2	128	156	28	4
Category 3	51	46	10	3
Corruption issues	2	4	0	0
Totals	192	277	47	13

Chart D: Outcome 1 findings

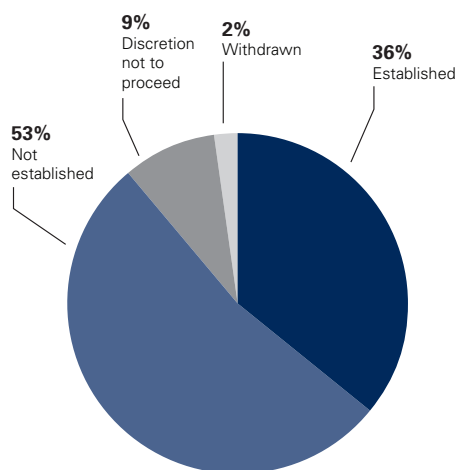
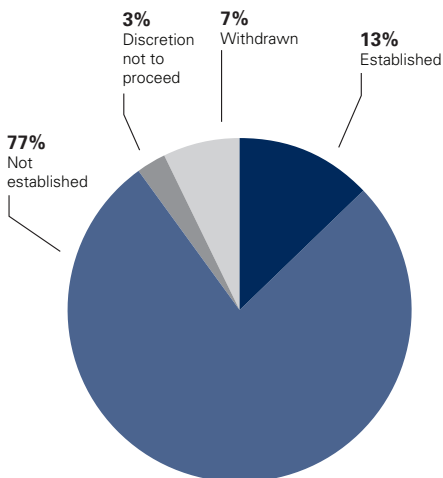


Table 8: Finalised conduct issues for Outcome 2 by category and findings during 2009-10

Outcome 2	Established	Not Established	Discretion Not To Proceed	Withdrawn
Category 1	32	250	8	21
Category 2	40	202	40	12
Category 3	14	70	8	14
Corruption issues	0	0	0	0
Totals	86	522	23	47

Chart E: Outcome 2 findings**Table 9: Prohibited drug tests conducted during 2009-10**

Category	2008-09	2009-10
Mandatory Applicant Testing	504	659
Mandatory Targeted Testing	6,367	5,307
Mandatory Investigation and Certain Incident Testing	19	43
Totals	6,890	6,009

Note: This table only includes matters where the case is finalised.

Appendix 3: Advertising and Market Research

Table 10: Media costs during 2009-10

During 2009-10, the AFP wholly conducted the advertising campaign for National Missing Persons Week (2 to 8 August 2009) and participated in National Youth Week, International Missing Children's Day and Day for Daniel organised by other agencies and organisations. Further information on those advertising campaigns is available at <http://www.afp.gov.au/what-we-do/campaigns.aspx> and in the reports on Australian Government advertising that are prepared by the Department of Finance and Deregulation. Those reports are available at <http://www.finance.gov.au/advertising/index.html>.

Vendor	Amount
Auspoll (Market research in relation to awareness of the AFP's presence and role at Australian airports)	\$70,000
TNS Research	\$172,700
McCann Worldgroup	\$289,816
Swell Design	\$16,102
Total	\$548,618

Appendix 4: Human Resources

Table 11: Ongoing, non-ongoing and casual staff as at 30 June 2010

Employee Group	2009-10	2008-09	Difference
Sworn Police Permanent Full-time	2,965	2,752	213
Sworn Police Permanent Part-time	90	87	3
Sworn Police Temporary Full-time	0	2	-2
Sworn Police Temporary Part-time	0	0	0
Sworn Police Casual	1	1	0
Sworn Police Total	3,056	2,842	214
Sworn PSO Permanent Full-time	1,196	1,217	-21
Sworn PSO Permanent Part-time	3	2	1
Sworn PSO Temporary Full-time	0	0	0
Sworn PSO Temporary Part-time	0	0	0
Sworn PSO Casual	0	0	0
Sworn PSO Seconded Paid	0	0	0
Sworn PSO Total	1,199	1,219	-20
Unsworn Permanent Full-time	2,130	2,007	123
Unsworn Permanent Part-time	182	143	39
Unsworn Temporary Full-time	103	68	35
Unsworn Temporary Part-time	14	6	8
Unsworn Casual	24	9	15
Unsworn Total	2,453	2,233	220
APG Permanent Full-time	7	8	-1
APG Temporary Full-time	0	2	-2
APG Total	7	10	-3
AIPM Permanent Full-time	0	15	-15
AIPM Permanent Part-time	0	2	-2
AIPM Temporary Full-time	0	9	-9
AIPM Casual	0	2	-2
AIPM Total	0	28	-28
Grand Total	6,715	6,332	383

Note: The 2009-10 financial year includes AIPM recorded in the AFP total numbers.

Table 12: AFP Senior Executive as at 30 June 2010 (substantive staff)

Executive	Management	AFP Sworn	AFP Unsworn	Total
Program 1.1 National Security— Policing				
Deputy Commissioner National Security	Counter Terrorism	3	0	3
	Protection	2	1	3
	Aviation	5	1	6
Program 1.2— Close Operations Support				
	International Deployment Group	7	2	9
	Office of Deputy Commissioner	1	0	1
Deputy Commissioner National Security Total		18	4	22
Program 1.3 Operations—Policing				
Deputy Commissioner Operations	Serious and Organised Crime	5	0	5
	Crime Operations	3	0	3
	Sydney	1	0	1
	Melbourne	1	0	1
	Perth	1	0	1
	Brisbane	1	0	1
	Office of Deputy Commissioner	1	0	1
Deputy Commissioner Operations Total		13	0	13
Program 1.4 Close Operational Support				
Deputy Commissioner Close Operations Support	Office of Deputy Commissioner Close Operations Support	1	0	1
	Operations Support	3	2	5
	Intelligence	3	0	3
	Forensic and Data Centres	1	3	4
	High Tech Crime Operations	3	0	3
Deputy Commissioner Close Operations Support Total		11	5	16

<i>Continued</i>				
Chief of Staff	Commissioner's Office	1	0	1
	Chief of Staff	1	0	1
Chief of Staff Total		2	0	2
Asia-Pacific Group (APG)				
		0	1	1
Chief Operating Officer				
	Office of Chief Operating Officer	0	1	1
	Human Resources	2	4	6
	Finance and Commercial	0	5	5
	Policy and Governance	2	4	6
	Information and Communication Technology	1	3	4
Chief Operating Officer Total		5	17	22
Outcome 2 ACT Community Policing				
Chief Police Officer—ACT	ACT Policing	3	1	4
Chief Police Officer—ACT Total		3	1	4
Grand Total		52	28	80

Note: The 2009-10 financial year includes AIPM recorded in the AFP total numbers.

Table 13: AFP geographical distribution as at 30 June 2010

Location	AFP Sworn			AFP Unsworn			AFP PSO			APG			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Australian Capital Territory	1,083	364	1,447	772	1,086	1,858	299	34	333	0	0	0	2,154	1,484	3,638
Commonwealth Territories	19	4	23	5	4	9	0	0	0	0	0	0	24	8	32
New South Wales	360	99	459	102	104	206	242	13	255	4	3	7	708	219	927
Northern Territory	29	15	44	1	9	10	79	5	84	0	0	0	109	29	138
Overseas Posts	295	53	348	43	47	90	62	3	65	0	0	0	400	103	503
Queensland	206	46	252	40	58	98	128	10	138	0	0	0	374	114	488
South Australia	42	14	56	3	12	15	41	8	49	0	0	0	86	34	120
Tasmania	7	2	9	2	2	4	12	1	13	0	0	0	21	5	26
Victoria	235	82	317	58	58	116	121	8	129	0	0	0	414	148	562
Western Australia	88	13	101	17	30	47	119	14	133	0	0	0	224	57	281
Total	2,364	692	3,056	1,043	1,410	2,453	1,103	96	1,199	4	3	7	4,514	2,201	6,715

Table 14: AFP Senior Executive performance bonus payments 2009-10

	Amount	Number
SES Level 3	\$75,754	4
SES Level 2	\$204,503	16
SES Level 1	\$474,432	57
Total	\$754,690	77

Note: These performance bonuses were paid during the 2009-10 financial year and relate to performance during the 2009-2010 financial year. While there were 80 SES staff at 30 June 2010, only 77 were eligible for performance bonuses.

Table 15: Years of service as at 30 June 2010

Personnel Area	Executive	Service Group							Total
		<1 yrs	1-5 yrs	6-10 yrs	11-15 yrs	16-20 yrs	21-25 yrs	26+ yrs	
AFP Sworn	Deputy Commissioner Operations	36	167	176	74	61	77	79	670
	Deputy Commissioner National Security	1	398	187	67	55	80	108	896
	Deputy Commissioner Close Operations Support	5	62	128	58	50	66	71	440
	Chief of Staff	0	0	0	6	3	2	2	13
	Chief Operating Officer	135	38	60	32	24	29	28	346
	Chief Police Officer—ACT	3	339	183	41	35	33	57	691
AFP Sworn Total		180	1,004	734	278	228	287	345	3,056
AFP Unsworn	Deputy Commissioner Operations	96	97	59	12	16	8	4	292
	Deputy Commissioner National Security	24	203	71	17	16	8	1	340
	Deputy Commissioner Close Operations Support	78	345	155	42	29	13	9	671
	Chief of Staff	1	9	4	1	0	1	2	18
	Chief Operating Officer	142	507	174	25	31	18	13	910
	Chief Police Officer—ACT	51	123	35	3	5	4	1	222
AFP Unsworn Total		392	1,284	498	100	97	52	30	2,453
AFP PSO	Deputy Commissioner Operations	0	1	1	0	0	0	0	2
	Deputy Commissioner National Security	35	460	450	50	78	57	4	1,134
	Deputy Commissioner Close Operations Support	0	18	7	3	1	2	1	32
	Chief of Staff	0	1	0	0	1	0	0	2
	Chief Operating Officer	0	10	14	1	0	2	2	29
AFP PSO Total		35	490	472	54	80	61	7	1,199
APG	APG	0	7	0	0	0	0	0	7
Grand Total		607	2,785	1,704	432	405	400	382	6,715

Note: The Chief Operating Officer includes Sworn recruits at the College.

Table 16: AFP workforce composition as at 30 June 2010

	AFP Sworn			AFP Unsworn			AFP PSO			APG			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Band 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Band 2	114	64	178	76	61	137	341	36	377	0	0	0	531	161	692
Band 3	404	132	536	197	368	565	403	33	436	0	0	0	1,004	533	1,537
Band 4	560	176	736	179	365	544	181	15	196	0	1	1	920	557	1,477
Band 5	523	132	655	72	134	206	139	6	145	0	2	2	734	274	1,008
Band 6	143	48	191	159	196	355	3	2	5	0	0	0	305	246	551
Band 7	370	99	469	130	151	281	15	3	18	0	0	0	515	253	768
Band 8	52	7	59	110	84	194	16	1	17	0	0	0	178	92	270
Band 9	153	26	179	82	38	120	5	0	5	3	0	3	243	64	307
SES	40	8	48	20	7	27	0	0	0	1	0	1	61	15	76
Statutory Office Holders	4	0	4	0	0	0	0	0	0	0	0	0	4	0	4
Casual	1	0	1	18	6	24	0	0	0				19	6	25
Total	2,364	692	3,056	1,043	1,410	2,453	1,103	96	1,199	4	3	7	4,514	2,201	6,715

Table 17: Outpostings to other agencies/Police services, secondments, Territories policing and peacekeeping

Base Salary Group	Casual ¹	1	2	3	4	5	6	7	8	9	SES	Total
External Territories												
Jervis Bay	0	0	0	0	2	1	0	1	0	0	0	4
Christmas Island	3	0	0	9	5	1	0	2	0	0	0	20
Cocos Island	3	0	0	1	0	0	0	1	0	0	0	5
Norfolk Island	0	0	0	0	1	1	0	1	0	0	0	3
External Territories Total	6	0	0	10	8	3	0	5	0	0	0	32
Stability/Capacity Building												
Afghanistan	0	0	0	0	1	8	3	9	2	5	0	28
Cambodia	0	0	0	0	0	0	0	1	0	0	0	1
Cyprus	0	0	0	0	1	10	2	1	0	1	0	15
Timor-Leste—UN	0	0	0	0	10	33	3	3	0	1	0	50
Timor-Leste—TLPDP	0	0	0	0	4	16	11	5	2	4	1	43
Nauru	0	0	0	0	1	0	0	1	0	1	0	3
Papua New Guinea	0	0	0	0	2	1	0	2	0	6	1	12
Samoa	0	0	0	0	0	0	0	1	0	1	0	2
RAMSI (Solomon Islands)	0	0	25	52	37	29	9	25	6	14	1	198
Sudan	0	0	0	0	1	6	2	0	0	1	0	10
Tonga	0	0	0	0	0	1	0	1	0	1	0	3
Vanuatu	0	0	0	0	0	0	2	5	1	2	0	10
Stability/Capacity Building Total	0	0	25	52	57	104	32	54	11	37	3	375

Continued

Australian Crime Commission												
Adelaide	0	0	0	0	1	0	0	0	0	0	0	1
Perth	0	0	0	0	0	0	1	0	0	0	0	1
Sydney	0	0	0	0	0	1	0	0	0	0	0	1
Australian Crime Commission Total	0	0	0	1	1	1	0	0	0	0	0	3
Australian Customs Service												
Canberra	0	0	0	0	0	0	0	0	0	0	1	1
Australian Customs Service Total	0	0	0	0	0	0	0	0	0	0	1	1
Centrelink												
Adelaide	0	0	0	0	0	0	1	0	0	0	0	1
Brisbane	0	0	0	0	0	0	1	0	0	0	0	1
Canberra (Queanbeyan)	0	0	0	0	0	0	1	0	0	0	0	1
Darwin	0	0	0	0	0	0	1	0	0	0	0	1
Hunter Region (NSW)	0	0	0	0	0	0	1	0	0	0	0	1
Melbourne	0	0	0	0	0	0	2	0	0	0	0	2
Perth	0	0	0	0	0	0	1	0	0	0	0	1
Sydney	0	0	0	0	0	0	1	0	0	0	0	1
Townsville	0	0	0	0	0	0	1	0	0	0	0	1
Centrelink Total	0	0	0	0	0	0	10	0	0	0	0	10

Continued

Department of Environment and Water Resources													
Canberra	0	0	0	0	0	0	0	1	0	0	0	0	1
Department of Environment and Water Resources Total	0	0	0	0	0	0	0	1	0	0	0	0	1
Department of Foreign Affairs and Trade													
Sydney	0	0	0	0	0	0	0	0	1	0	0	0	1
Department of Foreign Affairs and Trade Total	0	0	0	0	0	0	0	0	1	0	0	0	1
Australian Federal Police Association													
Canberra	0	0	0	0	0	0	0	0	1	1	0	0	2
Australian Federal Police Association Total	0	0	0	0	0	0	0	0	1	1	0	0	2
Northern Territory Police													
Operation THEMIS	0	0	0	0	3	16	9	0	3	0	1	0	32
Northern Territory Police Total	0	0	0	3	16	9	0	3	0	3	0	1	32
WA Crime Corruption Commission													
Perth	0	0	0	0	0	0	1	0	0	0	0	0	1
WA Crime Corruption Commission Total	0	0	0	0	0	0	1	0	0	0	0	0	1

Continued

Australian and New Zealand Policing Advisory Agency												
Melbourne	0	0	0	0	0	0	0	0	0	0	0	1
Australian and New Zealand Policing Advisory Agency Total	0	0	0	0	0	0	0	0	0	1	0	1
Attorney-General's Department												
Brisbane	0	0	0	0	0	0	0	0	0	1	0	1
Attorney-General's Department Total	0	0	0	0	0	0	0	0	0	1	0	1
Department of Prime Minister and Cabinet												
Department of Prime Minister and Cabinet	0	0	0	0	0	0	0	0	0	0	1	1
Department of Prime Minister and Cabinet	0	0	0	0	0	0	0	0	0	0	1	1
International												
United Nations Headquarters (New York)	0	0	0	0	0	0	0	0	0	0	0	1
International Total	0	0	0	0	0	0	0	0	0	0	0	1

¹ Casual staff paid on an hourly basis

Appendix 5: Resource Statements

Table 18: Agency Resource Statement - 2009-10

	Actual available appropriation for 2009-10	Payments made 2009-10	Balance remaining 2009-10
	\$'000	\$'000	\$'000
	(a)	(b)	(a) – (b)
Ordinary Annual Services			
Prior year Departmental appropriation	277,765	277,765	-
Departmental appropriation ¹	1,107,237	847,811	259,426
Repayments to the Commonwealth	5,798	5,798	-
Recoverable GST	35,097	35,097	-
S 31 relevant agency receipts	227,730	227,730	-
Total	1,653,627	1,394,201	259,426
Administered expenses			
Outcome 1 balance brought forward	2,054	2,054	
Outcome 1 appropriation ¹	33,652	13,077	
Outcome 1 Recoverable GST	701	701	
Total	36,407	15,832	
Total ordinary annual services	A	1,690,034	1,410,033
Other services² Departmental non-operating			
Balance brought forward	261,946		
Equity injections	51,915		
Previous years' outputs	4,609		
Total	318,470	39,043	279,427
Total other services	B	318,470	39,043
Total available annual appropriations and payments	2,008,504	1,449,076	

	Actual available appropriation for 2009-10	Payments made 2009-10	Balance remaining 2009-10
	\$'000	\$'000	\$'000
Special Accounts			
Opening balance	5,839		
Appropriation receipts ³	1,540		
Non-appropriation receipts to Special Accounts	10,456		
Payments made		8,579	
Total Special Account C	17,835	8,579	9,256
Total resourcing and payments			
A+B+C	2,026,339	1,457,655	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	1,540	1,540	
Total net resourcing and payments for agency	2,024,799	1,456,115	

¹ Appropriation Bill (No.1) 2009-10 and Appropriation Bill (No.3) 2009-10, adjusted for reduction in departmental appropriation of \$4.6 million.

² Appropriation Bill (No.2) 2009-10 and Appropriation Bill (No.4) 2009-10.

³ Appropriation receipts from annual appropriations for 2009-10 included above.

Table 19: Expenses and Resources for Outcome 1

Outcome 1: The safety and security of Australian and Australian interests, both nationally and internationally through the investigation and prevention of crime against the Commonwealth.			
	Budget* 2009-10	Actual Expenses 2009-10	Variation 2009-10
	\$'000	\$'000	\$'000
	(a)	(b)	(a) – (b)
Program 1.1: Criminal Investigations			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	182,555	184,161	-1,606
Revenues from independent sources (Section 31)	1,962	1,809	153
Special Accounts	2,096	1,975	121
Expenses not requiring appropriation in the Budget year	69	70	-1
Total for Program 1.1	186,682	188,015	-1,333
Program 1.2: Close Operational Support			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	239,484	239,548	- 64
Revenues from Independent Sources (Section 31)	5,047	4,655	392
Special Accounts	4,550	6,604	-2,054
Expenses not requiring appropriation in the Budget year	68	70	-2
Total for Program 1.2	249,149	250,877	-1,728
Program 1.3: Protection Services			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	136,804	142,196	-5,392
Revenues from Independent Sources (Section 31)	55,110	50,825	4,285
Expenses not requiring appropriation in the Budget year	68	70	-2
Total for Program 1.3	191,982	193,091	-1,109

	Budget* 2009-10	Actual Expenses 2009-10	Variation 2009-10
	\$'000	\$'000	\$'000
	(a)	(b)	(a) – (b)
Program 1.4: International Deployment Services			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	306,031	288,641	17,390
Revenues from Independent Sources (Section 31)	35,414	32,660	2,754
Expenses not requiring appropriation in the Budget year	68	70	-2
Total for Program 1.4	341,513	321,371	20,142
Program 1.5: Aviation Services			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	242,363	247,270	-4,907
Revenues from Independent Sources (Section 31)	6,616	6,102	514
Expenses not requiring appropriation in the Budget year	68	70	-2
Total for Program 1.5	249,047	253,442	-4,395
Program 1.6: International Police Development			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	16,802	15,047	1,755
Total for Program 1.6	16,802	15,047	1,755
Program 1.7: Other Administered			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	121	146	-25
Total for Program 1.7	121	146	-25

	Budget* 2009-10	Actual Expenses 2009-10	Variation 2009-10
	\$'000	\$'000	\$'000
	(a)	(b)	(a) – (b)
Outcome 1 Totals by appropriation type			
Administered Expenses			
Ordinary annual services (Appropriation Bill No. 1)	16,923	15,193	1,730
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	1,107,237	1,101,816	5,421
Revenues from independent sources (Section 31)	104,149	96,051	8,098
Special Accounts	6,646	8,579	-1,933
Expenses not requiring appropriation in the Budget year	341	350	-9
Total expenses for Outcome 1	1,235,296	1,221,989	13,307
Average Staffing Level (number)	2008-09 5323	2009-10 5579	

* Full year budget, including any subsequent adjustment made to the 2009-10 Budget.

Expenses and Resources for Outcome 2

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government.

Program 2.1: ACT Community Policing

	Budget* 2009-10	Actual Expenses 2009-10	Variation 2009-10
	\$'000	\$'000	\$'000
	(a)	(b)	(a) – (b)
Outcome 2 Totals by appropriation type			
Departmental expenses			
Revenues from independent sources (Section 31)	132,872	133,062	-190
Expenses not requiring appropriation in the Budget year	5,623	5,480	143
Total expenses for Outcome 2	138,495	138,542	-47
Average Staffing Level (number)	2008-09 950	2009-10 945	

* Full year budget, including any subsequent adjustment made to the 2009-10 Budget.

Financial Statements

Australian Federal Police / **Annual Report 2009-10**



INDEPENDENT AUDITOR'S REPORT

To the Minister for Home Affairs

Scope

I have audited the accompanying financial statements of the Australian Federal Police for the year ended 30 June 2010, which comprise: a Statement by the Commissioner of Police and Chief Financial Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; Schedule of Asset Additions; Schedule of Administered Items, and Notes to and forming part of the Financial Statements.

The Responsibility of the Commissioner of Police for the Financial Statements

The Commissioner of Police is responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Australian Federal Police's preparation and fair

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presentation of the financial statements 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 Australian Federal Police's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Commissioner of Police, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of the Australian Federal Police:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Australian Federal Police's financial position as at 30 June 2010 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



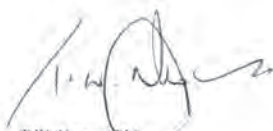
Simon Kidman
Executive Director
Delegate of the Auditor-General
Canberra
10 September 2010

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AUSTRALIAN FEDERAL POLICE
STATEMENT BY THE COMMISSIONER OF POLICE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2010 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.



T. W. Negus ARM
 Commissioner of Police

Date: 10 : 9 : 10



J Brocklehurst
 Chief Financial Officer

Date: 10/9/10

AUSTRALIAN FEDERAL POLICE
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
EXPENSES			
Employee Benefits	3A	778,197	736,662
Suppliers	3B	495,719	435,872
Grants	3G	393	-
Depreciation and Amortisation	3C	67,969	65,299
Finance Costs	3D	417	594
Write-Down and Impairment of Assets	3E	2,642	3,950
Losses from asset sales	3F	1	81
Total expenses		1,345,338	1,242,458
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Sale of Goods and Rendering of Services	4A	235,696	227,773
Rental Income	4B	602	981
Other	4C	1,394	1,577
Total own-source revenue		237,692	230,331
Gains			
Other Gains - Resources Received Free of Charge	4D	5,830	6,118
Total gains		5,830	6,118
Total own-source income		243,522	236,449
Net cost of services		1,101,816	1,006,009
Revenue from Government	4E	1,106,043	1,005,774
Surplus (Deficit) before income tax		4,227	(235)
Income tax expense	5	-	312
Surplus (Deficit) after income tax		4,227	(547)
Surplus (Deficit) attributable to the Australian Government		4,227	(547)
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation reserves		(434)	15,008
Total other comprehensive income after income tax		(434)	15,008
Total comprehensive income attributable to the Australian Government		3,793	14,461

**AUSTRALIAN FEDERAL POLICE
BALANCE SHEET**

as at 30 June 2010

	Notes	2010 \$'000	2009 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	6A	19,191	6,926
Trade and other receivables	6B	539,177	557,950
Other	6C	8,007	5,041
Total financial assets		566,375	569,917
Non-Financial Assets			
Land and buildings	7A	178,948	90,728
Property, plant and equipment	7B,E	159,003	130,565
Intangibles	7D	33,305	23,509
Inventories	7F	3,226	2,929
Other	7G	12,439	9,576
Total non-financial assets		386,921	257,307
Total Assets		953,296	827,224
LIABILITIES			
Payables			
Suppliers	8A	100,745	67,342
Dividends	8B	-	364
Other	8C	28,262	17,733
Tax liabilities	8D	-	2,171
Total payables		129,007	87,610
Provisions			
Employee provisions	9A	211,916	182,937
Other	9B	13,106	13,114
Total provisions		225,022	196,051
Total Liabilities		354,029	283,661
Net Assets		599,267	543,563
EQUITY			
Contributed equity		583,122	531,207
Reserves		32,468	32,902
Accumulated deficit		(16,323)	(20,546)
Total Equity		599,267	543,563

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN FEDERAL POLICE
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2010

	Retained earnings		Asset revaluation reserve		Contributed equity/capital		Total equity	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance								
Balance carried forward from previous period								
Adjustments	(20,546)	(19,640)	32,902	17,894	531,207	403,871	543,563	402,125
Adjusted opening balance	(20,550)	(19,635)	32,902	17,894	531,207	403,871	543,559	402,130
Comprehensive income								
Other comprehensive income - changes in asset revaluation reserves	-	-	(434)	15,008	-	-	(434)	15,008
Surplus (Deficit) for the period	4,227	(547)	-	-	-	-	4,227	(547)
Other adjustment	-	-	-	-	-	-	-	-
Total comprehensive income	4,227	(547)	(434)	15,008	-	-	3,793	14,461
of which:								
Attributable to the Australian Government	4,227	(547)	(434)	15,008	-	-	3,793	14,461
Transactions with owners								
Distributions to owners								
Returns on capital:								
Dividends	-	(364)	-	-	-	-	-	(364)
Contributions by owners								
Appropriations (equity injection)	-	-	-	-	51,915	127,336	51,915	127,336
Sub-total transactions with owners	(16,323)	(20,546)	32,468	32,902	583,122	531,207	599,267	543,563
Closing balance as at 30 June	(16,323)	(20,546)	32,468	32,902	583,122	531,207	599,267	543,563
Closing balance attributable to the Australian Government	(16,323)	(20,546)	32,468	32,902	583,122	531,207	599,267	543,563

The above statement should be read in conjunction with the accompanying notes.

**AUSTRALIAN FEDERAL POLICE
CASH FLOW STATEMENT**

for the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		238,819	244,834
Appropriations		1,135,956	996,765
Net GST received		34,194	27,979
Other		-	-
Total cash received		<u>1,408,969</u>	<u>1,269,578</u>
Cash used			
Employees		747,451	716,539
Suppliers		489,549	459,974
Grant payments		393	-
Other		-	-
Competitive neutrality payments		2,171	241
Cash transferred to OPA		-	38,891
Total cash used		<u>1,239,564</u>	<u>1,215,645</u>
Net cash from operating activities	10	<u>169,405</u>	<u>53,933</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		30	124
Total cash received		<u>30</u>	<u>124</u>
Cash used			
Purchase of property, plant and equipment		105,404	69,487
Purchase of infrastructure		74,049	-
Purchase of intangibles		16,396	9,324
Total cash used		<u>195,849</u>	<u>78,811</u>
Net cash used by investing activities		<u>(195,819)</u>	<u>(78,687)</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity		39,043	23,737
Total cash received		<u>39,043</u>	<u>23,737</u>
Cash used			
Dividends paid		364	-
Total cash used		<u>364</u>	<u>-</u>
Net cash from financing activities		<u>38,679</u>	<u>23,737</u>
Net decrease in cash held		<u>12,265</u>	<u>(1,017)</u>
Cash and cash equivalents at the beginning of the reporting period		6,926	7,943
Cash and cash equivalents at the end of the reporting period	6A	<u>19,191</u>	<u>6,926</u>

The above statement should be read in conjunction with the accompanying notes.

**AUSTRALIAN FEDERAL POLICE
SCHEDULE OF COMMITMENTS**
as at 30 June 2010

	2010 \$'000	2009 \$'000
BY TYPE		
Commitments receivable		
GST recoverable on commitments	(55,264)	(55,829)
Total commitments receivable	(55,264)	(55,829)
Commitments payable		
Capital commitments		
Land and buildings ¹	28,871	17,570
Property, plant and equipment ²	8,143	3,081
Intangibles	431	1,533
Other	655	-
Total capital commitments	38,100	22,184
Other commitments		
Operating leases ⁴	502,630	507,558
Project commitments	944	939
Other ³	204,453	128,843
Total other commitments	708,027	637,340
Net commitments by type	690,863	603,695
BY MATURITY		
Commitments receivable		
Other commitments receivable		
One year or less	(15,465)	(12,493)
From one to five years	(17,572)	(20,623)
Over five years	(22,227)	(22,713)
Total other commitments receivable	(55,264)	(55,829)
Commitments payable		
Capital commitments		
One year or less	38,042	21,903
From one to five years	58	281
Over five years	-	-
Total capital commitments	38,100	22,184
Operating lease commitments		
One year or less	77,368	76,737
From one to five years	180,177	184,782
Over five years	245,085	246,039
Total operating lease commitments	502,630	507,558
Other commitments		
One year or less	112,906	75,035
From one to five years	92,491	50,447
Over five years	-	4,300
Total other commitments	205,397	129,782
Net commitments by maturity	690,863	603,695

NB: Commitments are GST inclusive where relevant.

AUSTRALIAN FEDERAL POLICE
SCHEDULE OF COMMITMENTS (continued)

as at 30 June 2010

- ¹ Outstanding contractual payments for buildings under construction (including leasehold improvements).
² Contracts for the purchase of equipment for overseas deployment and other operational activities.
³ Contracts for the purchase of a variety of goods and services including logistics support for overseas deployments.
⁴ Operating leases included are effectively non-cancellable.

Nature of lease	General description of leasing arrangement
Leases for office accommodation	Lease payments are subject to terms as detailed in the lease agreement and initial periods of office accommodation are still current and may be renewed at the AFP's option
Agreements for the provision of motor vehicles to executive officers	No contingent rentals exist and there are no renewal or purchase options available to the AFP.
Leases in relation to computer and other equipment	The lessor provides computer and other equipment to the AFP; no contingent rentals exist; and there are no renewal or purchase options available to the AFP.

This schedule should be read in conjunction with the accompanying notes.

**AUSTRALIAN FEDERAL POLICE
SCHEDULE OF CONTINGENCIES**

as at 30 June 2010

	2010	2009
	\$'000	\$'000
Contingent assets		
Claims for damages/costs	<u>39</u>	<u>347</u>
Total contingent assets	<u>39</u>	<u>347</u>
Contingent liabilities		
Claims for damages/costs	<u>5,925</u>	<u>2,550</u>
Total contingent liabilities	<u>5,925</u>	<u>2,550</u>
Net contingent assets/(liabilities)	<u>(5,886)</u>	<u>(2,203)</u>

Details of each class of contingent liabilities and assets listed above are disclosed in **Note 11: Contingent Liabilities and Assets**, along with information on significant remote contingencies and contingencies that cannot be quantified.

The above schedule should be read in conjunction with the accompanying notes.

AUSTRALIAN FEDERAL POLICE
SCHEDULE OF ASSET ADDITIONS
for the year ended 30 June 2010

The following non-financial non-current assets were added in 2009-10 (refer to note 7):

	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
By purchase - appropriation equity	6,148	26,288	6,607	39,043
By purchase - appropriation ordinary annual services	99,392	47,623	9,789	156,804
Asset recognition	-	138	-	138
Lease restoration assets	1,339	-	-	1,339
Total additions	106,879	74,049	16,396	197,324

The following non-financial non-current assets were added in 2008-09:

	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
By purchase - appropriation equity	4,607	17,938	1,193	23,738
By purchase - appropriation ordinary annual services	16,010	30,946	8,130	55,086
Asset recognition	-	660	-	660
Total additions	20,617	49,544	9,323	79,484

**AUSTRALIAN FEDERAL POLICE
SCHEDULE OF ADMINISTERED ITEMS**

	Notes	2010 \$'000	2009 \$'000
Expenses administered on behalf of Government <i>for the year ended 30 June 2010</i>			
Suppliers	15A	15,096	6,825
Grants	15B	97	-
Total expenses administered on behalf of Government		15,193	6,825
Assets administered on behalf of Government <i>as at 30 June 2010</i>			
Financial assets			
Cash and cash equivalents	16A	6	-
Receivables	16B	55	163
Total financial assets		61	163
Non-financial assets			
Other	16C	14	8
Total non-financial assets		14	8
Total assets administered on behalf of Government		75	171
Liabilities administered on behalf of Government <i>as at 30 June 2010</i>			
Payables			
Suppliers	17A	1,964	2,001
Total payables		1,964	2,001
Total liabilities administered on behalf of Government		1,964	2,001

This schedule should be read in conjunction with the accompanying notes.

AUSTRALIAN FEDERAL POLICE
SCHEDULE OF ADMINISTERED ITEMS (continued)

	2010	2009
	\$'000	\$'000
Administered Cash Flows		
<i>for the year ended 30 June 2010</i>		
OPERATING ACTIVITIES		
Cash received		
Net GST received	<u>701</u>	<u>157</u>
Total cash received	<u>701</u>	<u>157</u>
Cash used		
Suppliers	<u>15,830</u>	<u>5,152</u>
Total cash used	<u>15,830</u>	<u>5,152</u>
Net cash flows from (used by) operating activities	<u>(15,129)</u>	<u>(4,995)</u>
Net Decrease in Cash Held	(15,129)	(4,995)
Cash and cash equivalents at the beginning of the reporting period	-	-
Cash from Official Public Account for:		
- Appropriations	15,836	5,159
Cash to Official Public Account for:		
- GST	<u>(701)</u>	<u>(164)</u>
Cash and cash equivalents at the end of the reporting period	16A <u>6</u>	<u>-</u>

This schedule should be read in conjunction with the accompanying notes.

AUSTRALIAN FEDERAL POLICE
SCHEDULE OF ADMINISTERED ITEMS (continued)

	2010 \$'000	2009 \$'000
Administered Commitments <i>as at 30 June 2010</i>		
BY TYPE		
Commitments receivable		
GST recoverable on commitments	(50)	(744)
Total commitments receivable	<u>(50)</u>	<u>(744)</u>
Commitments payable		
Other commitments		
Project commitments ¹	2,295	8,185
Total other commitments	<u>2,295</u>	<u>8,185</u>
Net commitments by type	<u>2,245</u>	<u>7,441</u>
BY MATURITY		
Commitments receivable		
Other commitments receivable		
One year or less	(50)	(741)
From one to five years	-	(3)
Total other commitments receivable	<u>(50)</u>	<u>(744)</u>
Commitments payable		
Other commitments		
One year or less	2,295	8,150
From one to five years	-	35
Total other commitments	<u>2,295</u>	<u>8,185</u>
Net commitments by maturity	<u>2,245</u>	<u>7,441</u>

NB: Commitments are GST inclusive where relevant.

¹ The nature of project commitments is management fees for the construction of the Nauru police station and the provision of services and personnel to the Governments of Timor-Leste and Samoa.

This schedule should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of Australian Federal Police

The Australian Federal Police (AFP) is an Australian Government controlled entity. The objectives of the AFP are to enforce Commonwealth criminal law and protect Commonwealth and national interests from crime in Australia and overseas. In order to achieve these objectives, the AFP is structured to meet two outcomes:

Outcome 1: The safety and security of Australians and Australian interests, both nationally and internationally, through the investigation and prevention of crime against the Commonwealth

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government

The continued existence of the AFP in its present form, and with its present programs is dependant on Government policy and on continuing appropriations by Parliament for the AFP's administration and programs.

AFP activities contributing toward these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the AFP in its own right. Administered activities involve the management or oversight by the AFP, on behalf of the Government, of items controlled or incurred by the Government.

Outcome 1 activities are identified under seven Programs.

The following seven programs relate to Outcome 1:

- Program 1.1 Criminal Investigations;
- Program 1.2 Close Operational Support;
- Program 1.3 Protection Services;
- Program 1.4 International Deployment Services;
- Program 1.5 Aviation Services;
- Program 1.6 International Police Development; and
- Program 1.7 Other Administered (Cyber-Safety Plan).

The following program relates to Outcome 2:

- Program 2.1 ACT Community Policing.

The AFP commenced administered activities in 2008-09 and these activities significantly increased in 2009-10.

Notes to and forming part of the Financial Statements

1.2 Basis of Preparation of the Financial Report

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are general purpose financial statements.

The financial statements and notes have been prepared in accordance with:

- Finance Minister's Orders (or FMO's) for reporting periods ending on or after 1 July 2009; and
- Australian Accounting Standards and Interpretations 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 are 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 FMO's, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the entity 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 Agreements Equally Proportionately Unperformed are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments and the schedule of contingencies.

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.

Administered revenues, expenses, assets and liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for departmental items, except where otherwise stated at **Note 1.21**.

1.3 Significant Accounting Judgement and Estimates

In the process of applying the accounting policies listed in this note, the AFP has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of land and buildings has been taken to be the market value of similar properties as determined by an independent valuer. In some instances, the AFP buildings are purpose built and may in fact realise more or less in the market.
- For the purposes of valuing the long service leave provision the AFP has estimated a salary growth rate of 5% , which is based on the review of the long service leave valuation methodology and an assessment of the AFP's employee profile.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next accounting period.

1.4 New Australian Accounting Standards

Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

No new accounting standards issued prior to the signing of the Statement by the Commissioner of Police and Chief Financial Officer applicable to the current reporting period had a significant financial impact on the AFP.

Notes to and forming part of the Financial Statements

Future Australian Accounting Standard Requirements

No accounting standards issued prior to the signing of the Statement by the Commissioner of Police and the Chief Financial Officer that are applicable to future reporting periods have a significant financial impact on the AFP.

1.5 Revenue

Revenue from Government

Amounts appropriated for departmental outputs appropriation for the year (adjusted for any formal additions and reductions) are recognised as revenue when the agency 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.

Other Types of Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the agency retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

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 entity.

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.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of reporting period. Allowances are made when collectability of the debt is no longer probable.

1.6 Gains

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 are recorded as either revenue or gains depending on their nature.

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 agency or authority as a consequence of a restructuring of administrative arrangements (Refer to Note 1.7).

Sale of Assets

Gains from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

Notes to and forming part of the Financial Statements

1.7 Transactions with the Government as Owner

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in contributed equity in that year.

1.8 Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of balance date 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.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the AFP is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply 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.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2010. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation. Based on an analysis of the historic average annual increase in base salary costs and an assessment of the likely cost increase over future financial years, taking into account known changes under the AFP's 2007-2011 Collective Agreement and increment obligations, the salary growth rate used to value the long service leave provision as at 30 June 2010 is 5.00% (2009: 5.00%). The liability for long service leave is also calculated with reference to the 10 year Government bond rate. As at 30 June 2010, the bond rate was 5.10% (2009: 5.52%).

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The AFP recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

Staff of the AFP are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulated plan (PSSap).

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

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 by the Department of Finance and Deregulation as an administered item.

The AFP makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the AFP's employees. The AFP accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June 2010 represents outstanding contributions for the final fortnight of the year.

Notes to and forming part of the Financial Statements

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

The AFP had not entered into any finance leases as at 30 June 2010 (2009: Nil).

1.10 Borrowing Costs

All borrowing costs are expensed as incurred.

1.11 Cash

Cash and cash equivalents includes cash on hand, cash held with outsiders, demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

1.12 Financial Assets

The AFP classifies its financial assets as 'loans and receivables'.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments 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 method less impairment. Interest is recognised by applying the effective interest rate.

Notes to and forming part of the Financial Statements

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

- *Financial assets held at amortised cost* - if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the statement of comprehensive income.

1.13 Financial Liabilities

Financial liabilities are classified as other financial liabilities.

Financial liabilities are recognised and derecognised upon 'trade date'.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.14 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant schedules and 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.

1.15 Financial Guarantee Contracts

Financial guarantee contracts are accounted for in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

1.16 Acquisition of Assets

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. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

Notes to and forming part of the Financial Statements

1.17 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

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 'makegood' 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 'makegood' recognised.

Revaluations

Fair values for each class of asset are determined as shown below:

<i>Asset Class</i>	<i>Fair value measured at</i>
Land	Market selling price
Buildings exc. Leasehold improvements	Market selling price
Leasehold improvements	Depreciated replacement cost
Property, plant & equipment	Market selling price and depreciated replacement cost

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 regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve 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.

Depreciation

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the AFP using, in all cases, the straight-line method of depreciation.

Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (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.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	<u>2010</u>	<u>2009</u>
Buildings on leasehold land	2 to 40 years	2 to 40 years
Buildings on freehold land	1 to 52 years	1 to 52 years
Leasehold improvements	1 mth to 15 years	1mth to 13 years
Plant and Equipment	1 to 25 years	1 to 25 years

Impairment

All assets were assessed for impairment at 30 June 2010. 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.

Notes to and forming part of the Financial Statements

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the AFP were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.18 Intangibles

AFP's intangibles comprise internally developed and externally acquired software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of AFP's software is 1 to 13 years (2008-09 ~ 1 to 13 years)

All software assets were assessed for indications of impairment as at 30 June 2010.

1.19 Inventories

Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

When inventories held for distribution are distributed, the carrying amount of those inventories are recognised as an expense. Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition.

1.20 Taxation

The AFP is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and 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.

Competitive Neutrality

Previously the Protective Services Portfolio within the AFP were subject to Competitive Neutrality arrangements. On the 1 July 2009 AFP became exempt from the requirement to apply competitive neutrality charges. This was approved by the Minister for Home Affairs.

1.21 Reporting of Administered Activities

The AFP had the following administered activities in 2009-10: Cyber-safety plan, Timor-Leste Police Development Program, Pacific Police Development Plan, Regional Assistance Mission to Solomon Islands, Increasing Australia's law enforcement contribution to Pakistan and Combating people smuggling: enhanced AFP and regional capability.

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the schedule of administered items 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 Cash Transfers to and from Official Public Account

Revenue collected by the AFP for use by the Government rather than the agency is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance and Deregulation. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the agency on behalf of the Government and reported as such in the statement of cash flows in the schedule of administered items and in the administered reconciliation table in Note 18.

Notes to and forming part of the Financial Statements

Receivables

Where receivables are not subject to concessional treatment, they are carried at amortised cost using the effective interest method. Gains and losses due to impairment, derecognition and amortisation are recognised through profit or loss.

1.22 Accounting for The Australian Institute of Police Management

The Australian Institute of Police Management (AIPM) provides senior management, executive development, education and consultancy services to Australasian Police. The AIPM is administered by the AFP. It also reports on its performance to a Board of Control that is composed of Police Commissioners from Australia and New Zealand.

The AIPM operates within the corporate governance framework of the AFP, and their policies apply in all aspects of the AIPM's corporate service function. All staff at the AIPM are staff members of the AFP. In addition the operations of the AIPM are partly funded from AFP annual departmental appropriations. It has been assessed that the AFP has effective control of the AIPM and should therefore be consolidated into the financial statements of the AFP. AIPM transactions are consolidated into the financial statements of the AFP.

1.23 Accounting for The Asia/Pacific Group on Money Laundering

The purpose of the Asia/Pacific Group on Money Laundering (APG) is to facilitate the adoption, implementation and enforcement of internationally accepted anti-money laundering and anti-terrorist financing standards. The Australian Federal Police hosted the APG for the year ended 30 June 2010. It also reports on its performance for the members of the APG.

The APG operates within the corporate governance framework of the AFP, and their policies apply in all aspects of the APG's corporate service function. All staff at the APG are staff members of the AFP. It has been assessed that the AFP has effective control of the APG and should therefore be consolidated into the financial statements of the AFP. APG transactions are therefore consolidated into the financial statements of the AFP.

Note 2: Events After the Reporting Period

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000
Note 3: Expenses		
<u>Note 3A: Employee Benefits</u>		
Wages and salaries	550,270	516,436
Superannuation:		
Defined contribution plans	25,947	20,850
Defined benefit plans	78,863	68,030
Leave and other entitlements	116,826	113,378
Separation and redundancies	2,114	8,610
Other employee expenses	4,177	9,358
Total employee benefits	778,197	736,662
<u>Note 3B: Suppliers</u>		
Goods and services		
Communications and IT	39,358	31,962
Consultants and contractors	65,843	55,482
General and office	36,182	36,445
Travel	62,890	50,005
Staff and recruitment	41,761	41,671
Motor vehicle expenses	10,303	12,791
Postage and freight	9,649	5,992
Operational	67,153	62,253
Training	22,363	18,027
Building and accommodation	29,184	26,274
Total goods and services	384,686	340,902
Goods and services are made up of:		
Provision of goods - related entities	439	119
Provision of goods - external parties	28,552	39,106
Rendering of services - related entities	18,177	23,000
Rendering of services - external parties	337,518	278,677
Total goods and services	384,686	340,902
Other supplier expenses		
Operating lease rentals - external parties:		
Minimum lease payments	82,319	73,316
Contingent rentals	6,255	4,030
Other supplier expenses	507	339
Workers compensation premiums	21,952	17,285
Total other supplier expenses	111,033	94,970
Total supplier expenses	495,719	435,872
<u>Note 3C: Depreciation and Amortisation</u>		
Depreciation:		
Property, plant and equipment	43,246	37,728
Buildings	1,028	1,252
Total depreciation	44,274	38,980
Amortisation:		
Leasehold improvements	16,554	16,092
Intangibles:		
Computer software	7,141	10,227
Total amortisation	23,695	26,319
Total depreciation and amortisation	67,969	65,299

Notes to and forming part of the Financial Statements

	2010 \$'000	2009 \$'000
Note 3D: Finance Costs		
Unwinding of discount	417	594
Total finance costs	417	594
Note 3E: Write-Down and Impairment of Assets		
Asset write-downs and impairments from:		
Impairments from trade and other receivables	22	127
Buildings write-down	1,038	3,026
Impairment of property, plant and equipment	1,551	553
Makegood adjustment	31	244
Total write-down and impairment of assets	2,642	3,950
Note 3F: Losses from Asset Sales		
Property, plant and equipment:		
Proceeds from sale	(30)	(124)
Carrying value of assets sold	31	205
Total losses from asset sales	1	81
Note 3G: Grants		
Overseas	393	-
Total grants	393	-

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000

Note 4: Income

REVENUE

Note 4A: Sale of Goods and Rendering of Services

Provision of goods - related entities	1	2
Provision of goods - external parties	13	8
Rendering of services - related entities	70,050	70,951
Rendering of services - external parties	<u>165,632</u>	<u>156,812</u>
Total sale of goods and rendering of services	<u>235,696</u>	<u>227,773</u>

Note 4B: Rental Income

Operating lease:		
Sublease	<u>602</u>	<u>981</u>
Total rental income	<u>602</u>	<u>981</u>

Note 4C: Other Revenue

Reduction in provisions	412	342
Asset recognition	138	660
Other	<u>844</u>	<u>575</u>
Total other revenue	<u>1,394</u>	<u>1,577</u>

GAINS

Note 4D: Other Gains - Resources Received Free of Charge

ANAO audit services	350	372
ACT Government provision of Police Stations	<u>5,480</u>	<u>5,636</u>
Other	<u>-</u>	<u>110</u>
Total other gains	<u>5,830</u>	<u>6,118</u>

REVENUE FROM GOVERNMENT

Note 4E: Revenue from Government

Appropriations:		
Departmental outputs	1,107,237	1,006,775
Less: Appropriations to be returned	<u>(1,194)</u>	<u>(1,001)</u>
Total revenue from Government	<u>1,106,043</u>	<u>1,005,774</u>

Revenue from government includes \$0.443m in funding quarantined by the Department of Finance and Deregulation pending the outcome of a review by the Departments of Foreign Affairs and Trade and Finance and Deregulation related to the funding of the Overseas Property Office (OPO) and the payment of amortisation to OPO for selected properties overseas. The AFP does not have any legal commitment to make payments and has therefore not recognised any amortisation expense.

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000

Note 5: Income Tax Expense (Competitive Neutrality)

Competitive Neutrality - commonwealth tax equivalent expense	-	312
Total income tax expense	-	312

Previously the Protective Services Portfolio within the AFP were subject to Competitive Neutrality arrangements. On the 1 July 2009 AFP became exempt from the requirement to apply competitive neutrality charges. This was approved by the Minister for Home Affairs.

Note 6: Financial Assets**Note 6A: Cash and Cash Equivalents**

Special Accounts	5,238	1,777
Cash at bank	<u>13,953</u>	<u>5,149</u>
Total cash and cash equivalents	<u>19,191</u>	<u>6,926</u>

Note 6B: Trade and Other Receivables**Goods and services:**

Goods and services - related entities	2,252	4,523
Goods and services - external parties	<u>4,784</u>	<u>4,055</u>
Total receivables for goods and services	<u>7,036</u>	<u>8,578</u>

Appropriations receivable:

For existing outputs	243,942	272,662
For prior year outputs	2,414	3,608
Equity	<u>274,818</u>	<u>261,946</u>
Total appropriations receivable	<u>521,174</u>	<u>538,216</u>

Other receivables:

GST receivable from the Australian Taxation Office	5,531	4,404
Other debtors	<u>5,872</u>	<u>7,165</u>
Total other receivables	<u>11,403</u>	<u>11,569</u>
Total trade and other receivables (gross)	539,613	558,363

Less: impairment allowance account:

Goods and services	<u>(436)</u>	<u>(413)</u>
Total impairment allowance account	<u>(436)</u>	<u>(413)</u>
Total trade and other receivables (net)	<u>539,177</u>	<u>557,950</u>

All receivables are current assets.

Receivables are aged as follows:

Not overdue	537,150	555,719
Overdue by:		
0 to 30 days	830	1,243
31 to 60 days	527	269
61 to 90 days	150	130
More than 90 days	<u>956</u>	<u>1,002</u>
Total receivables (gross)	<u>539,613</u>	<u>558,363</u>

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000

Note 6B: Trade and Other Receivables (continued)

The impairment allowance account is aged as follows:

Not overdue	-	-
Overdue by:		
0 to 30 days	-	6
31 to 60 days	-	13
61 to 90 days	-	12
More than 90 days	<u>436</u>	<u>382</u>
Total impairment allowance account	<u>436</u>	<u>413</u>

Reconciliation of the Impairment Allowance Account:**Movements in relation to 2010**

	Goods and services \$'000	Total \$'000
Opening balance	413	413
Amounts written off	-	-
Amounts recovered and reversed	-	-
Increase/decrease recognised in net surplus	<u>23</u>	<u>23</u>
Closing balance	<u>436</u>	<u>436</u>

Movements in relation to 2009

	Goods and services \$'000	Total \$'000
Opening balance	705	705
Amounts written off	(419)	(419)
Amounts recovered and reversed	-	-
Increase/decrease recognised in net deficit	<u>127</u>	<u>127</u>
Closing balance	<u>413</u>	<u>413</u>

Note 6C: Other Financial Assets

Accrued revenue	<u>8,007</u>	5,041
Total other financial assets	<u>8,007</u>	<u>5,041</u>

All accrued revenue recognised is a current asset.

Notes to and forming part of the Financial Statements

	2010 \$'000	2009 \$'000
Note 7: Non-Financial Assets		
Note 7A: Land and Buildings		
Land at fair value		
Leasehold land - at fair value	803	803
Total land	803	803
Buildings on freehold land		
Buildings on freehold land at fair value	3,804	2,911
Accumulated depreciation	(360)	-
Total buildings on freehold land	3,444	2,911
Buildings on leasehold land		
Buildings on leasehold land at fair value	16,237	17,817
Accumulated depreciation	(666)	-
Total buildings on leasehold land	15,571	17,817
Leasehold improvements		
At fair value	56,948	40,319
Accumulated depreciation	(16,499)	-
Work in progress	118,681	28,878
Total leasehold improvements	159,130	69,197
Total land and buildings	178,948	90,728

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. In June 2010 as independent valuer, CB Richard Ellis, conducted revaluations.

CB Richard Ellis found no requirement for revaluation in 2010 for land and buildings. All current land and buildings held by the AFP were found to be at fair value. Adjustments were made in the 2009-10 financial statements of \$0.204m which related to the 2008-09 revaluation.

Note 7B: Property, plant and equipment

Other property, plant and equipment:		
Fair value	205,778	149,235
Accumulated depreciation	(79,586)	(38,032)
Work in progress	32,811	19,362
Total property, plant and equipment	159,003	130,565

All revaluations were conducted in accordance with the revaluation policy stated at Note 1. In June 2010 CB Richard Ellis, an independent valuer, found that all property, plant and equipment held by the AFP was recorded at fair value with no requirement for revaluation.

No indicators of impairment were found for property, plant and equipment.

No property, plant or equipment is expected to be recovered within the next 12 months.

Notes to and forming part of the Financial Statements

Note 7C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2009-10)

	Land	Buildings on freehold land	Buildings on leasehold land	Buildings - leasehold improvements	Total land and buildings	Other property, plant & equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2009							
Gross book value	803	2,911	17,817	69,197	90,728	168,597	259,325
Accumulated depreciation and impairment	n/a	-	-	-	-	(38,032)	(38,032)
Net book value 1 July 2009	803	2,911	17,817	69,197	90,728	130,565	221,293
Additions:							
By purchase	-	-	95	105,445	105,540	73,911	179,451
By other	-	-	-	1,339	1,339	138	1,477
Revaluations and impairments recognised in other comprehensive income	-	-	(93)	(111)	(204)	-	(204)
Impairments recognised in the operating result	-	-	-	(1,069)	(1,069)	(1,551)	(2,620)
Depreciation expense	n/a	(360)	(668)	(16,554)	(17,582)	(43,246)	(60,828)
Other movements	-	-	-	58	58	(100)	(42)
Reclassifications	-	893	(1,580)	825	138	(683)	(545)
Disposals:							
Other	-	-	-	-	-	(31)	(31)
Net book value 30 June 2010	803	3,444	15,571	159,130	178,948	159,003	337,951
Net book value as of 30 June 2010 represented by:							
Gross book value	803	3,804	16,237	175,629	196,473	238,589	435,062
Accumulated depreciation/amortisation	n/a	(360)	(666)	(16,499)	(17,525)	(79,586)	(97,111)
	803	3,444	15,571	159,130	178,948	159,003	337,951

Notes to and forming part of the Financial Statements

Note 7C (Cont'd): Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2008-09)

	Land \$'000	Buildings on freehold land \$'000	Buildings on leasehold land \$'000	Buildings - leasehold improvements \$'000	Total land and buildings \$'000	Other property, plant & equipment \$'000	Total \$'000
As at 1 July 2008							
Gross book value	132	3,501	8,878	101,146	113,657	120,986	234,643
Accumulated depreciation/amortisation and impairment	n/a	(2,354)	(604)	(33,984)	(36,942)	(212)	(37,154)
Net book value 1 July 2008	132	1,147	8,274	67,162	76,715	120,774	197,489
Additions:							
By purchase	-	288	915	19,414	20,617	49,544	70,161
Revaluations and impairments recognised in other comprehensive income	671	282	855	11,659	13,467	(894)	12,573
Impairments recognised in the operating result	-	-	-	-	-	(553)	(553)
Depreciation expense	n/a	(62)	(1,190)	(16,092)	(17,344)	(37,728)	(55,072)
Reclassification	-	1,256	8,963	(9,836)	383	(373)	10
Disposals:							
Disposals	-	-	-	-	-	(205)	(205)
Write-offs	-	-	-	(3,110)	(3,110)	-	(3,110)
Net book value 30 June 2009	803	2,911	17,817	69,197	90,728	130,565	221,293
Net book value as of 30 June 2009 represented by:							
Gross book value	803	2,911	17,817	69,197	90,728	168,597	259,325
Accumulated depreciation	n/a	-	-	-	-	(38,032)	(38,032)
	803	2,911	17,817	69,197	90,728	130,565	221,293

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000
<u>Note 7D: Intangibles</u>		
Computer software:		
Internally developed - in progress	7,780	6,543
Internally developed - in use	47,395	37,479
Purchased	<u>22,680</u>	<u>16,931</u>
Total computer software (gross)	<u>77,855</u>	<u>60,953</u>
Accumulated amortisation	<u>(44,550)</u>	<u>(37,444)</u>
Total computer software (net)	<u>33,305</u>	<u>23,509</u>
Total intangibles	<u>33,305</u>	<u>23,509</u>

No indicators of impairment were found for intangible assets.

No intangibles are expected to be disposed of within the next 12 months.

Notes to and forming part of the Financial Statements**Note 7E: Reconciliation of the Opening and Closing Balances of Intangibles (2009-10)**

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2009			
Gross book value	44,022	16,931	60,953
Accumulated amortisation and impairment	(27,983)	(9,461)	(37,444)
Net book value 1 July 2009	16,039	7,470	23,509
Additions:			
By purchase	11,767	4,629	16,396
Amortisation	(3,784)	(3,358)	(7,142)
Reclassifications	(518)	1,063	545
Disposals:			
Other	-	(3)	(3)
Net book value 30 June 2010	23,504	9,801	33,305
Net book value as at 30 June 2010 represented by:			
Gross book value	55,175	22,680	77,855
Accumulated depreciation/amortisation	(31,671)	(12,879)	(44,550)
	23,504	9,801	33,305

Note 7E (Cont'd): Reconciliation of the Opening and Closing Balances of Intangibles (2008-09)

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2008			
Gross book value	38,084	13,619	51,703
Accumulated amortisation and impairment	(20,418)	(6,862)	(27,280)
Net book value 1 July 2008	17,666	6,757	24,423
Additions			
By purchase	5,617	3,706	9,323
Reclassifications	322	(332)	(10)
Amortisation	(7,501)	(2,726)	(10,227)
Other movements	(65)	65	-
Net book value 30 June 2009	16,039	7,470	23,509
Net book value as of 30 June 2009 represented by:			
Gross book value	44,022	16,931	60,953
Accumulated depreciation / amortisation and impairment	(27,983)	(9,461)	(37,444)
	16,039	7,470	23,509

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000
Note 7F: Inventories		
Inventories held for distribution	<u>3,226</u>	<u>2,929</u>
Total inventories	<u>3,226</u>	<u>2,929</u>

All inventory is expected to be distributed in the next 12 months.

During 2009-10 \$3,788,617 of inventory held for distribution was recognised as an expense (2009: \$2,905,728)

During 2009-10, a \$27,720 write-down of inventory held for distribution was reflected in the Statement of Comprehensive Income (2009: \$102,943 write-down).

No items of inventory were recognised at fair value less cost to sell.

Note 7G: Other Non-Financial Assets

Prepayments	<u>12,439</u>	9,576
Total other non-financial assets	<u>12,439</u>	<u>9,576</u>
Total other non-financial assets - are expected to be recovered in:		
No more than 12 months	12,119	9,191
More than 12 months	<u>320</u>	<u>385</u>
Total other non-financial assets	<u>12,439</u>	<u>9,576</u>

No indicators of impairment were found for other non-financial assets.

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000

Note 8: Payables**Note 8A: Suppliers**

Trade creditors and accruals	85,697	65,785
Operating lease rentals	<u>15,048</u>	<u>1,557</u>
Total supplier payables	<u>100,745</u>	<u>67,342</u>

Supplier payables expected to be settled within 12 months:

Related entities	5,791	10,672
External parties	<u>83,143</u>	<u>55,270</u>
Total	<u>88,934</u>	<u>65,942</u>

Supplier payables expected to be settled in greater than 12 months:

Related entities	-	-
External parties	<u>11,811</u>	<u>1,400</u>
Total	<u>11,811</u>	<u>1,400</u>
Total supplier payables	<u>100,745</u>	<u>67,342</u>

Settlement is usually made within 30 days.

Note 8B: Dividends

Payable to the Australian Government	-	364
Total dividends	<u>-</u>	<u>364</u>

All dividends are current liabilities.

Note 8C: Other Payables

Prepayments received/unearned income	3,649	1,820
Salaries and wages	13,357	12,371
Other payables	8,101	1,168
Superannuation	2,061	1,310
Separations and redundancies	<u>1,094</u>	<u>1,064</u>
Total other payables	<u>28,262</u>	<u>17,733</u>

Total other payables are expected to be settled in:

No more than 12 months	28,262	17,733
More than 12 months	<u>-</u>	<u>-</u>
Total other payables	<u>28,262</u>	<u>17,733</u>

Note 8D: Tax Liabilities (Competitive Neutrality)

Tax liabilities equivalents	-	2,171
Total tax liabilities (competitive neutrality)	<u>-</u>	<u>2,171</u>

All tax liabilities will be settled within 12 months.

Previously the Protective Services Portfolio within the AFP were subject to Competitive Neutrality arrangements. On the 1 July 2009 AFP became exempt from the requirement to apply competitive neutrality charges. This was approved by the Minister for Home Affairs.

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000
Note 9: Provisions		
Note 9A: Employee Provisions		
Leave	211,604	182,531
Other	<u>312</u>	<u>406</u>
Total employee provisions	<u>211,916</u>	<u>182,937</u>
Employee provisions are expected to be settled in:		
No more than 12 months	66,122	73,400
More than 12 months	<u>145,794</u>	<u>109,537</u>
Total employee provisions	<u>211,916</u>	<u>182,937</u>
Note 9B: Other Provisions		
Provision for restoration obligations	9,123	7,673
Provision for legal settlements	150	150
Provision for building leases	<u>3,833</u>	<u>5,291</u>
Total other provisions	<u>13,106</u>	<u>13,114</u>
Other provisions are expected to be settled in:		
No more than 12 months	4,699	6,415
More than 12 months	<u>8,407</u>	<u>6,699</u>
Total other provisions	<u>13,106</u>	<u>13,114</u>

	Provision for Building Lease \$'000	Provision for Legal Settlement \$'000	Provision for Restoration \$'000	Total \$'000
Carrying amount 1 July 2009	5,291	150	7,673	13,114
Additional provisions made	-	-	1,339	1,339
Amount used	(1,458)	-	(118)	(1,576)
Provisions not realised	-	-	(130)	(130)
Amounts reversed	-	-	-	-
Revaluation	-	-	(58)	(58)
Unwinding of discount or change in discount rate	-	-	417	417
Closing balance 2010	3,833	150	9,123	13,106

The AFP currently has 48 agreements for the leasing 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.

The AFP currently has claims for damages/costs against it, for which the AFP has made a provision to reflect the estimate of the obligation based on precedent cases.

Staff from various AFP sites across Canberra commenced moving into new headquarter facilities, the Edmund Barton Building, during 2009-10. A provision for building leases representing rent payable on buildings vacated to the end of their lease term has been recognised in both 2009-10 and 2008-09.

Notes to and forming part of the Financial Statements

2010
\$'000

2009
\$'000

Note 10: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement

Report cash and cash equivalent as per:

Cash flow statement	19,191	6,926
Balance sheet	<u>19,191</u>	<u>6,926</u>
Difference	-	-

Reconciliation of net cost of service to net cash from operating activities:

Net cost of services	(1,101,816)	(1,006,009)
Add revenue from Government	<u>1,106,043</u>	<u>1,005,774</u>
Less income tax expense	-	(312)

Less non-cash items

Depreciation/amortisation	67,969	65,299
Net write down of non-financial assets	<u>2,642</u>	<u>3,823</u>
Gain on disposal of assets	1	81
Asset recognition	(138)	(660)
Reduction in provisions	(412)	(345)
Finance costs	<u>417</u>	<u>594</u>

Change in assets / liabilities

(Increase) / decrease in net receivables	31,645	(30,554)
(Increase) / decrease in inventories	(297)	291
(Increase) / decrease in prepayments	(2,863)	1,595
Increase / (decrease) in accrued revenue	(2,966)	(15)
Increase / (decrease) in employee provisions	<u>28,979</u>	<u>25,858</u>
Increase / (decrease) in supplier payables	33,243	5,530
Increase / (decrease) in other payable	10,175	(11,004)
Increase / (decrease) in other provisions	(1,046)	(6,084)
Increase / (decrease) in competitive neutrality payments payable	<u>(2,171)</u>	<u>71</u>
Net cash from operating activities	<u>169,405</u>	<u>53,933</u>

Notes to and forming part of the Financial Statements

Note 11: Contingent Liabilities and Assets

	Claims for damages or costs		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Contingent assets				
Balance from previous period	347	175	347	175
New	10	167	10	167
Re-measurement	4	103	4	103
Assets recognised	(322)	(98)	(322)	(98)
Expired	-	-	-	-
Total contingent assets	39	347	39	347
	Claims for damages or costs		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Contingent liabilities				
Balance from previous period	2,550	5,448	2,550	5,448
New	175	350	175	350
Re-measurement	3,450	(3,248)	3,450	(3,248)
Liabilities recognised	(250)	-	(250)	-
Obligations expired	-	-	-	-
Total contingent liabilities	5,925	2,550	5,925	2,550
Net contingent assets (liabilities)	(5,886)	(2,203)	(5,886)	(2,203)

Quantifiable Contingencies

The Schedule of Contingencies reports contingent liabilities and assets in respect of claims for damages/costs of \$5.925m (2009: \$2.55m) and \$0.039m (2009: \$0.347m) respectively. The amount represents an estimate of the AFP's asset or liability based on precedent cases. The AFP is defending the claims.

Unquantifiable Contingencies

At 30 June 2010, the AFP had a number of legal claims against it in relation to privacy and operational matters. The AFP is defending the claims. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these claims.

On 5 July 2007, the AFP made a voluntary disclosure to the Australian Taxation Office (ATO) that certain allowances in relation to international deployments were not correctly treated for Pay As You Go Withholding tax purposes. To date no settlement has been made with the ATO in relation to potential penalties and these are currently unquantifiable. Corrective action was taken by the AFP to ensure compliance from 1 July 2007.

Significant Remote Contingencies

The AFP currently has a small number of pending claims/recovery in relation to a range of operational and personal injury claims. The likely success and likelihood of settlement of these claims is assessed as remote.

The AFP has a number of property leases where it has indemnified the Landlord from and against all claims, losses and damage that the Landlord may become liable for as a result of negligence or misuse by the AFP resulting in loss, damage or injury to property and/or person. Most of these indemnities are uncapped, but the benefits of these arrangements outweigh any potential loss or damage which may arise through the indemnification of the building owner by the AFP. The likelihood that any of these indemnities will be called is assessed as remote.

The Australian Government has entered into indemnity agreements with Australian airlines that agree to fly aircraft with Air Security Officers on board. The indemnity agreements limit the Australian Government's exposure up to a maximum of \$2 billion per incident. The indemnity applies to the extent that any loss is not covered by existing relevant insurance policies held by the airline and only applies where the airline(s) can prove that an action on the part of an Air Security Officer under or in connection with the Air Security Officer programme caused a loss.

Notes to and forming part of the Financial Statements

Note 12: Senior Executive Remuneration

Note 12A: Actual Remuneration Paid to Senior Executives

Executive Remuneration

	2010	2009
The number of senior executives who received:		
less than \$145,000	-	2
\$145,000 to \$159,999	1	1
\$160 000 to \$174 999	-	1
\$175 000 to \$189 999	2	6
\$190 000 to \$204 999	7	7
\$205 000 to \$219 999	13	16
\$220 000 to \$234 999	12	11
\$235 000 to \$249 999	12	3
\$250 000 to \$264 999	5	6
\$265 000 to \$279 999	3	3
\$280 000 to \$294 999	4	3
\$295 000 to \$309 999	3	1
\$310 000 to \$324 999	1	2
\$325 000 to \$339 999	1	-
\$340 000 to \$354 999	-	1
\$355 000 to \$369 999	2	-
\$385 000 to \$399 999	1	-
\$460 000 to \$474 999	-	1
\$670,000 to \$684,999	1	-
Total	68	64

Senior executive with acting arrangements or part year service are excluded where remuneration is less than \$145,000.

Total expense recognised in relation to Senior Executive employment

	\$	\$
Short-term employee benefits:		
Salary (including annual leave taken)	10,364,398	9,874,352
Changes in annual leave provisions	166,203	684
Performance bonus	511,964	401,047
Transfer costs	132,268	556,455
Fringe benefits tax	310,613	408,183
Other ¹	1,882,364	1,615,248
Total Short-term employee benefits	13,367,810	12,855,969
Superannuation (post-employment benefits)	2,635,603	2,118,484
Other long-term benefits	922,721	643,756
Total	16,926,134	15,618,209

During the year the entity paid \$231,850 in termination benefits to senior executives (2009: \$872,722)

Notes

1. "Other" includes motor vehicle allowances, other allowances and salary package options.

Notes to and forming part of the Financial Statements

Note 12: Senior Executive Remuneration (continued)

Note 12B: Salary Packages for Senior Executives as at 30 June

Average annualised remuneration packages for substantive Senior Executives

	As at 30 June 2010			As at 30 June 2009		
	No. SES	Base salary (including annual leave)	Total remuneration package ¹	No. SES	Base salary (including annual leave)	Total remuneration package ¹
\$160,000 to \$174,999	-	-	-	4	125,000	170,231
\$175,000 to \$189,999	12	131,792	185,323	12	130,154	183,953
\$190,000 to \$204,999	12	139,706	200,409	20	140,090	197,334
\$205,000 to \$219,999	23	142,008	211,224	8	139,465	210,919
\$220,000 to \$234,999	4	160,940	224,432	9	161,093	229,622
\$235,000 to \$249,999	7	164,071	240,612	3	165,083	240,596
\$250,000 to \$264,999	5	170,778	253,240	2	189,588	258,710
\$265,000 to \$279,999	2	179,400	273,763	3	185,283	269,372
\$280,000 to \$294,999	2	215,456	291,416	-	-	-
\$295,000 to \$309,999	-	-	-	1	202,800	299,202
\$310,000 to \$324,999	-	-	-	1	208,000	315,560
\$325,000 to \$339,999	2	224,400	334,394	-	-	-
\$400,000 to \$414,999	-	-	-	1	330,960	408,970
\$460,000 to \$474,999	1	380,053	470,779	-	-	-
Total	70			64		

Notes

1. Total Remuneration Package available to Senior Executives includes:

- (a) Actual base salary (including annual leave taken)
- (b) Motor vehicle allowances
- (c) Superannuation
- (d) Executive and Health Allowances

Long service leave is excluded as an entitlement to this table.

Performance bonuses have been excluded on the basis that the amounts could not be reliably measured.

Note 12A discloses senior executive remuneration based upon:

- (a) Actual salary paid during the year (including payment for leave taken)
- (b) Movement in annual leave and long service leave provisions (including revaluations of provisions)
- (c) Superannuation (post-employment benefits)
- (d) Motor vehicle and other allowances
- (e) Reportable fringe benefits.

These amounts may differ to the remuneration package disclosed in Note 12B depending upon: the amount of leave taken during the year; part-year service; periods of leave without pay; acting arrangements; changes to base salary, salary for superannuation purposes and allowances during the year; and revaluations of employee provisions.

Note 12A includes acting arrangements and part year service where the \$145,000 threshold was reached during the year. Note 12B reflects only substantive senior executive packages in existence as at 30 June.

Notes to and forming part of the Financial Statements

Note 13: Remuneration of Auditors

	2010	2009
	\$	\$
Financial statement audit services are provided free of charge to the AFP.		
The fair value of the services provided was:		
Australian Federal Police	350	372
	<u>350</u>	<u>372</u>
Additional services provided and charged by the Auditor-General:		
ACT Policing	69	68
Australian Institute of Police Management	40	35
Asia-Pacific Group on Money Laundering	9	7
	<u>118</u>	<u>110</u>

No other services were provided by the Auditor-General.

Notes to and forming part of the Financial Statements

	2010	2009
	\$'000	\$'000

Note 14: Financial Instruments**Note 14A: Categories of Financial Instruments****Financial Assets**

Loans and receivables:

Cash and cash equivalents	19,191	6,926
Trade receivables	7,036	8,578
Other receivables	5,872	7,165
Accrued revenue	8,007	5,041
Total	40,106	27,710

Carrying amount of financial assets	40,106	27,710
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Financial Liabilities

At amortised cost:

Trade creditors	100,745	67,342
Other creditors	8,101	1,168
Competitive neutrality payments payable	-	2,535
Provision for restoration obligations	9,123	7,673
Total	117,969	78,718

Carrying amount of financial liabilities	117,969	78,718
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Note 14B: Net Income and Expense from Financial Assets

Loans and receivables

Impairment	(23)	(127)
Net loans and receivables	(23)	(127)
Net loss from financial assets	(23)	(127)

The net expense from financial assets not at fair value through profit and loss is \$22,219 (2009: \$126,643).

Note 14C: Net Income and Expense from Financial Liabilities

Financial liabilities - at amortised cost

Unwinding of discount	(417)	(594)
Net loss financial liabilities - at amortised cost	(417)	(594)
Net loss from financial liabilities	(417)	(594)

The net expense from financial liabilities not at fair value through profit and loss is \$416,724 (2009: \$593,943).

Note 14D: Fair Value of Financial Instruments

The carrying value of all financial instruments in the balance sheet approximates fair value.

Notes to and forming part of the Financial Statements

Note 14E: Credit Risk

The AFPs exposure to credit risk is minimal and relates to trade receivables. Management has endorsed policies and procedures for debt management to reduce the incidence of credit risk on trade receivables. Additionally, management has assessed the risk of default on payment and has made an impairment allowance of \$435,598 (2009: \$413,378).

The following table illustrates the AFP's gross exposure to credit risk, excluding any collateral or credit enhancements.

	2010 \$'000	2009 \$'000
Financial assets		
Trade receivables	7,036	8,578
Total	7,036	8,578

The AFP holds no collateral to mitigate against credit risk

Credit quality of financial instruments not past due or individually determined as impaired

	Not past due nor impaired 2010 \$'000	Not past due nor impaired 2009 \$'000	Past due or impaired 2010 \$'000	Past due or impaired 2009 \$'000
Trade receivables	4,573	5,935	2,463	2,643
Total	4,573	5,935	2,463	2,643

Ageing of financial assets that are past due or impaired for 2010

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Trade receivables	830	527	150	956	2,463
Total	830	527	150	956	2,463

The credit risk on the AFPs trade receivables is considered minimal. At 30 June 2010, the AFP assessed \$435,598 (2009: \$413,378) of trade receivables to be impaired and therefore in doubt of recovery. All other trade receivables are considered recoverable.

Ageing of financial assets that are past due or impaired for 2009

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Trade receivables	1,243	269	130	1,002	2,644
Total	1,243	269	130	1,002	2,644

Notes to and forming part of the Financial Statements

Note 14F: Liquidity risk

The AFP is a Commonwealth agency that is primarily budget funded and has internal policies and procedures in place to ensure budget funded resources are available to meet its financial obligations as and when they fall due. As such, the AFP's exposure to liquidity risk is not significant.

The following tables illustrates the maturities for financial liabilities

Maturities for non-derivative financial liabilities 2010

	On demand	within 1 year	1 to 2 years	2 to 5 years	> 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade creditors	-	88,934	11,811	-	-	100,745
Other creditors	-	8,101	-	-	-	8,101
Competitive neutrality payable	-	-	-	-	-	-
Restoration obligations	-	2,447	821	2,873	2,982	9,123
Total	-	99,482	12,632	2,873	2,982	117,969

Maturities for non-derivative financial liabilities 2009

	On demand	within 1 year	1 to 2 years	2 to 5 years	> 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade creditors	-	67,342	-	-	-	67,342
Other creditors	-	1,168	-	-	-	1,168
Competitive neutrality payable	-	2,535	-	-	-	2,535
Restoration obligations	-	974	1,381	3,242	2,076	7,673
Total	-	72,019	1,381	3,242	2,076	78,718

The AFP has no derivative financial liabilities in both the current and prior year.

Notes to and forming part of the Financial Statements

Note 14G: Market Risk

The AFP's exposure to market risk is minimal and relates only to basic financial instruments held such as foreign currencies and provision for restoration obligations.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The AFP is exposed to interest rate risk primarily from its provision for restoration obligations.

The following table details the interest rate sensitivity analysis of the AFP at the reporting date, holding all other variables constant. A 150 basis point change is deemed to be a possible change and is used when reporting the risk.

The sensitivity analysis of the AFP's exposure to interest rate risk at the reporting date has been determined based on the Department of Finance & Deregulation's analysis of possible change.

The method used to arrive at the possible change of 150 basis points was based on the analysis of the absolute nominal change of the Reserve Bank of Australia's (RBA) monthly issued cash rate. Historical rates indicate that for the past five financial years, there was a bias towards an increase in interest rate ranging between 0 and 150 basis points. It is considered that 150 basis points is a 'reasonably possible' estimate as it accommodates for the maximum variations inherent in the interest rate movement over the past five years.

Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The AFP is exposed to foreign currency risk primarily through undertaking certain transactions denominated in foreign currency.

The AFP is exposed to currencies denominated in US Dollar, Indonesian Rupiah, Euro, Papua New Guinea Kina and Vanuatu Vatu.

The following table details the effect on the profit and equity as at 30 June from 14 per cent favourable/unfavourable change in the AUS dollar against the above currencies with all other variables held constant.

The sensitivity analysis of the AFP's exposure to foreign currency risk at the reporting date has been determined based on the Department of Finance and Deregulation's calculated average of the five main currencies the Commonwealth is exposed to, being USD, EUR, GBR, JPY and NZD. For each of the five currencies an average of the past five years annual standard deviation, calculated from the observed daily movements of AUS dollar against currency. Three standard deviations were selected as a 'reasonably possible' change as it accommodates for 99 per cent of the variation in the movement of historical foreign exchange rates.

Sensitivity analysis of the risk that the AFP is exposed to for 2010

Sensitivity analysis of the risk that the APT is exposed to for 2010				
			Effect on	
		Change in risk variable %	Profit and loss \$'000	Equity \$'000
	Risk variable			
Currency risk	Exposed currency	14.00	137	-
Interest rate risk	Interest	1.5	-	137

Sensitivity analysis of the risk that Australian Federal Police is exposed to for 2009

		Change in risk variable %	Effect on	
Risk variable			Profit and loss \$'000	Equity \$'000
Currency risk	Exposed currency	12.00	55	-
Interest rate risk	Interest	0.75	-	176

Notes to and forming part of the Financial Statements

	2010 \$'000	2009 \$'000
Note 15: Expenses Administered on Behalf of Government		
<u>Note 15A: Suppliers</u>		
Goods and services		
Communications and IT	186	11
Consultants and contractors	4,885	4,352
General and office	8,716	1,834
Travel	1,309	628
Total goods and services	15,096	6,825
Goods and services are made up of:		
Provision of goods - external parties	6,285	1,371
Rendering of services - related entities	2,080	15
Rendering of services - external parties	6,731	5,439
Total goods and services	15,096	6,825
Total suppliers	15,096	6,825
<u>Note 15B: Grants</u>		
Private sector:		
Overseas	97	-
Total grants	97	-

Notes to and forming part of the Financial Statements

	2010 \$'000	2009 \$'000
Note 16: Assets Administered on Behalf of Government		
FINANCIAL ASSETS		
Note 16A: Cash and cash equivalents		
Administered bank account -Australian Federal Police	6	-
Total cash and cash equivalents	6	-
Note 16B: Receivables		
Other receivables		
GST receivable from the Australian Taxation Office	55	163
Total other receivables	55	163
Total receivables (net)	55	163
All receivables are not overdue.		
Goods and services receivables are with entities within the Australian Government. Credit terms were net 28 days (2009: 28 days).		
NON-FINANCIAL ASSETS		
Note 16C: Other Non-Financial Assets		
Prepayments	14	8
Total other non-financial assets	14	8
Total other non-financial assets - are expected to be recovered in:		
No more than 12 months	14	8
More than 12 months	-	-
Total other non-financial assets	14	8
Note 17: Liabilities Administered on Behalf of Government		
PAYABLES		
Note 17A: Suppliers		
Trade creditors and accruals	1,964	2,001
Total suppliers	1,964	2,001
Current Supplier payables are represented by:		
Related entities	-	-
External parties	1,964	2,001
Total	1,964	2,001
Settlement is usually made within 30 days		
Note 18: Administered Reconciliation Table		
Opening administered assets less administered liabilities as at 1 July	(1,830)	-
Plus: Administered income	-	-
Less: Administered expenses (non CAC)	(15,193)	(6,825)
Administered transfers to/from Australian Government:		
Appropriation transfers from OPA		
Annual appropriations for administered expenses (non CAC)	15,836	5,159
Transfers to OPA	(701)	(164)
Closing administered assets less administered liabilities as at 30 June	(1,888)	(1,830)

Notes to and forming part of the Financial Statements

	2010 \$'000	2009 \$'000
Note 19: Administered Financial Instruments		
<u>Note 19A: Categories of Financial Instruments</u>		
Financial Assets		
Loans and receivables:		
Cash and cash equivalents	6	-
Total	<u>6</u>	<u>-</u>
Carrying amount of financial assets	<u>6</u>	<u>-</u>
Financial Liabilities		
At amortised cost:		
Trade creditors	1,964	2,001
Total	<u>1,964</u>	<u>2,001</u>
Carrying amount of financial liabilities	<u>1,964</u>	<u>2,001</u>

Note 19B: Fair Value of Financial Instruments

The carrying value of all financial instruments in the balance sheet approximates fair value.

Note 19C: Credit Risk

The Administered activities of the AFP were not exposed to a high level of credit risk as the financial asset is cash.

Note 19D: Liquidity Risk

The AFP's financial liabilities are Trade Creditors. The exposure to liquidity risk is based on the notion that the AFP will encounter difficulty in meeting its obligations associated with financial liabilities.

This is highly unlikely as the AFP is appropriated funding from the Australian Government and the AFP manages its budgeted funds to ensure it has adequate funds to meet payments as they fall due. In addition, the AFP has policies in place to ensure payments are made when due and has no past experience of default. As such, the AFP's exposure to liquidity risk is not significant.

All financial liabilities are due within 1 year.

The AFP has no derivative financial liabilities in both the current and prior year.

Notes to and forming part of the Financial Statements

Note 20: Appropriations

Table A1: Acquittal of authority to draw cash from the Consolidated Revenue Fund for ordinary annual services appropriations

Particulars	Administered expenses		Payment to CAC Act bodies		Departmental Outputs		Total
	Outcome 1		2010	2009	2010	2009	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance brought forward from previous period (Appropriation Acts)	4,918	-	-	-	277,765	244,943	282,683
<i>Appropriation Act:</i>							
Balance brought forward from previous period (Appropriation Acts)	33,652	9,688	-	-	1,111,837	1,009,351	1,145,489
<i>Appropriation Act (No. 1, 3&5) 2009 - 2010 as passed</i>							
Departmental appropriations reduced					(4,600)	(17,076)	(4,600)
Administered appropriation reduced (non CAC) (<i>Appropriation Act</i> section 11)	(2,864)	-	-	-			(2,864)
<i>FMA Act:</i>							
Repayment to the Commonwealth (<i>FMA Act</i> section 30)	-	58	-	-	5,798	6,545	5,798
Appropriations to take account of recoverable GST (<i>FMA Act</i> section 30A)	701	324	-	-	35,097	30,686	35,798
Relevant agency receipts (<i>FMA Act</i> s31)					227,730	234,364	227,730
Total appropriations available for payments	36,407	10,070	-	-	1,653,627	1,509,013	1,690,034
Cash payments made during the year (GST inclusive)	15,832	5,152	-	-	1,394,201	1,231,248	1,410,033
Appropriations credited to special accounts (GST exclusive)	-	-	-	-	-	-	-
Balance of authority to draw cash from the Consolidated Revenue Fund for ordinary annual services appropriations and as represented by:	20,575	4,918	-	-	259,426	277,765	280,001
Cash at bank and on hand	6	-	-	-	13,953	5,149	13,959
Departmental appropriations receivable					239,942	268,662	239,942
Undrawn, unexpired administered appropriations	20,514	4,861	-	-			20,514
Receivables - GST receivable from the ATO	55	57	-	-	5,531	3,954	5,586
Total as at 30 June	20,575	4,918	-	-	259,426	277,765	280,001
							282,683

Notes to and forming part of the Financial Statements

Note 20: Appropriations (continued)

Table A2: Acquittal of authority to draw cash from the consolidated revenue fund for ordinary annual services appropriations (reduction in administered items)

Particulars	Administered expenses		Total	
	Outcome 1 2010	2009	2010	2009
Reduction in administered items¹	33,652,010.00	9,688,000.00	33,652,010.00	9,688,000.00
Total administered items appropriated 2009-2010				
Less administered items required by the agency as per <i>Appropriation Act s11</i> 2:				
<i>Appropriation Act (No. 1) 2009-2010</i>	15,193,880.96	6,824,392.00	15,193,880.96	6,824,392.00
<i>Appropriation Act (No. 3) 2009-2010</i>	-	-	-	-
<i>Appropriation Act (No. 5) 2009-2010</i>	-	-	-	-
Other annual appropriation acts	-	-	-	-
Total administered items required by the agency as represented by:				
Spent	13,132,054.31	4,827,470.00	13,132,054.31	4,827,470.00
Retention	2,061,826.65	1,996,922.00	2,061,826.65	1,996,922.00
Total reductions in administered items - effective 2010-11	18,458,129.04	2,863,608.00	18,458,129.04	2,863,608.00

Administered items for 2009-10 were reduced to these amounts when these financial statements were tabled in the Parliament as part of the Australian Federal Police 2009-10 annual report. This reduction is effective in 2010-11 and the amounts in the Total Reduction row will be reflected in Table A1 in the 2010-11 financial statements in the row 'Appropriations reduced (Appropriation Act section 11)

Departmental and non-operating appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental or non-operating appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament.

Notes to and forming part of the Financial Statements

Note 20: Appropriations (continued)

Table B1: Acquittal of authority to draw cash from the Consolidated Revenue Fund for other than ordinary annual services appropriations

Particulars	Operating				Non-operating										Total					
	Outcome 1				Payment to CAC Act bodies				Equity		Loans		Previous years' outputs						Admin assets and liabilities	
	SPPs		NAE		2010		2009		2010		2009		2010		2009		2010		2009	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance brought forward from previous period (Appropriation Acts)	-	-	-	-	-	-	-	261,946	158,348	-	-	-	-	-	-	-	261,946	158,348	-	-
<i>Appropriation Act:</i>																				
<i>Appropriation Act (No. 2, 4&6) 2009 - 2010 as passed</i>	-	-	-	-	-	-	-	51,915	131,281	-	-	4,609	-	-	-	-	56,524	131,281	-	-
<i>Appropriations reduced (Appropriation Act sections 12, 13&14)</i>	-	-	-	-	-	-	-	-	(3,945)	-	-	-	-	-	-	-	-	(3,945)	-	-
Total appropriations available for payments	-	-	-	-	-	-	-	313,861	285,684	-	-	4,609	-	-	-	-	318,470	285,684	-	-
Cash payments made during the year (GST inclusive)	-	-	-	-	-	-	-	39,043	23,738	-	-	-	-	-	-	-	39,043	23,738	-	-
Balance of authority to draw cash from the Consolidated Revenue Fund for ordinary annual services appropriations and as represented by:																				
Departmental appropriations receivable	-	-	-	-	-	-	-	274,818	261,946	-	-	4,609	-	-	-	-	279,427	261,946	-	-
Adjustments under s10(1)(3) of the Finance Minister's Order not reflected above	-	-	-	-	-	-	-	2,414	3,608	-	-	-	-	-	-	-	277,232	265,554	-	-
Total as at 30 June	-	-	-	-	-	-	-	274,818	261,946	-	-	4,609	-	-	-	-	279,427	261,946	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to and forming part of the Financial Statements**Note 21: Special accounts**

Other Trust Monies Account (Departmental)	2010	2009
	\$	\$
Appropriation: <i>Financial Management and Accountability Act 1997 section 21.</i>		
Establishing Instrument: <i>Financial Management and Accountability Act 1997 section 20.</i>		
<i>Purpose:</i> For the receipt of moneys temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth.		
Balance carried forward from previous period	9,339,338	13,201,350
Appropriation for reporting period	-	-
Costs recovered	-	-
Appropriations to take account of recoverable GST (FMA Act section 30A)	-	-
GST credits (FMA Act s30A)	-	-
Other receipts	17,163,882	20,929,736
Total increase	26,503,220	34,131,086
Payments made to suppliers	17,265,783	24,791,747
Total decrease	17,265,783	24,791,747
Balance carried to next period represented by:	9,237,437	9,339,339
Cash - held by the agency	9,237,437	9,339,338
Total balance carried to the next period	9,237,437	9,339,338

Note: OTM comprises of the following sub-accounts:

- 1 AFP Official Exhibit & Seized Monies and Manual Cheque Issue Exempt SPM Account
- 2 AFP Official MPR & Warrants and Manual Cheque Issue SPM Accounts
- 3 AFP Official Salary Packaging Exempt SPM Account
- 4 AFP Official Comcare SPM Trust Account
- 5 Timor Leste Police Development Program

Notes to and forming part of the Financial Statements

Services for other Governments and Non-Agency Bodies Account (Departmental)		
	2010	2009
	\$	\$
Appropriation: <i>Financial Management and Accountability Act 1997 section 21.</i>		
Establishing Instrument: <i>Financial Management and Accountability Act 1997 section 20.</i>		
<i>Purpose:</i> For the payment of moneys in connection with services performed on behalf of other governments and non-agency bodies.		
Balance carried forward from previous period	5,389,903	3,937,903
Appropriation for reporting period	-	-
Other receipts	9,472,454	8,650,375
Total increase	14,862,357	12,588,278
Payments made to suppliers	6,604,378	7,198,375
Total decrease	6,604,378	7,198,375
Balance carried to next period and represented by:	8,257,979	5,389,903
Cash - held by the Agency	4,257,978	1,389,903
Cash - held in the Official Public Account	4,000,000	4,000,000
Total balance carried to the next period	8,257,978	5,389,903

Note: SOG comprises of the following sub-accounts:

- 1 AFP Official National Police Memorial Exempt SPM Trust Account
- 2 AFP Trust Account - Australasian Disaster Victim Identification Committee
- 3 AFP Official ADVI Database Exempt SPM Account
- 4 AFP Official ADVI Comtrain Exempt SPM Account
- 5 AFP Official Interpol 2020 SPM Account
6. Australian Institute of Police Management

Asia Pacific Group on Money Laundering Special Account - formerly Financial Action Task Force - Asia Pacific Group Secretariat Account		
	2010	2009
	\$	\$
Appropriation: <i>Financial Management and Accountability Act 1997 section 21.</i>		
Establishing Instrument: <i>Financial Management and Accountability Act 1997 section 20.</i>		
<i>Purpose:</i> For expenditure relating 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.		
Balance carried forward from previous period	671,403	682,703
Appropriation for reporting period	-	-
Costs recovered	2,494,861	2,000,964
Appropriations to take account of recoverable GST (FMA Act section 30A)	28,139	18,121
Total credits	3,194,403	2,701,788
Payments made	1,974,593	2,030,385
Investments made from the special account (FMA section 39)	-	-
Total debits	1,974,593	2,030,385
Balance carried to next period represented by:	1,219,810	671,403
Cash - held by the agency	1,218,761	669,425
Add: GST receivable from the ATO	1,049	1,978
Total balance carried to the next period	1,219,810	671,403

Notes to and forming part of the Financial Statements

Note 22: Compensation and debt relief

	2010	2009
	\$	\$
Departmental		
No 'Act of Grace' expenses were incurred during the reporting period (2009: One payment made).	-	29,891
No above expenses were paid on a periodic basis (2009: No above expenses were paid on a periodic basis).	-	-
No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the Financial Management and Accountability Act 1997 (2009: No waiver made).	-	-
Two payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period (2009: Three payments made).	68,845	88,273
No ex-gratia payments were provided for during the reporting period (2009: No payments made).	-	-
No payments were provided in special circumstances relating to APS employment pursuant to section 73 of the Public Service Act 1999 (PS Act) during the reporting period. (2009: No payments made).	-	-

Notes to and forming part of the Financial Statements

Note 23: Reporting of outcomes

Note 23A: Net cost of outcome delivery

Particulars	Outcome 1		Outcome 2		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Expenses						
Administered	15,193	6,825	-	-	15,193	6,825
Departmental	1,206,796	1,110,215	138,542	132,243	1,345,338	1,242,458
Total	1,221,989	1,117,040	138,542	132,243	1,360,531	1,249,283
Income from non-government sector						
Administered	-	-	-	-	-	-
Activities subject to cost recovery	-	-	-	-	-	-
Total administered	-	-	-	-	-	-
Departmental						
Activities subject to cost recovery	32,530	30,853	133,115	125,967	165,645	156,820
Total departmental	32,530	30,853	133,115	125,967	165,645	156,820
Total	32,530	30,853	133,115	125,967	165,645	156,820
Other own-source income						
Administered	-	-	-	-	-	-
Departmental	72,397	73,993	5,480	5,636	77,877	79,629
Total	72,397	73,993	5,480	5,636	77,877	79,629
Net cost/(contribution) of outcome	1,149,592	1,043,047	133,065	127,307	1,282,657	1,169,654

Outcomes 1 and 2 are described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome.

Notes to and forming part of the Financial Statements

Note 23B: Major Classes of Departmental Expense, Income, Assets and Liabilities by Outcomes

	Outcome 1		Outcome 2		Not attributed*		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Departmental Expenses:								
Employee	675,368	635,388	102,829	101,274			778,197	736,662
Supplier	463,138	407,441	32,581	28,431			495,719	435,872
Depreciation and amortisation	64,880	62,786	3,089	2,513			67,969	65,299
Grants	393	-	-	-			393	-
Other	3,017	4,600	43	25			3,060	4,625
Total	1,206,796	1,110,215	138,542	132,243			1,345,338	1,242,458
Departmental Income:								
Income from Government	1,106,043	1,005,774	-	-			1,106,043	1,005,774
Goods and services	102,581	101,806	133,115	125,967			235,696	227,773
Other	2,346	3,040	5,480	5,636			7,826	8,676
Total	1,210,970	1,110,620	138,595	131,603			1,349,565	1,242,223
Departmental Assets:								
Cash and cash equivalents	13,929	2,289	-	-	5,262	4,637	19,191	6,926
Trade and other receivables	517,389	530,526	16,278	23,037	5,510	4,387	539,177	557,950
Other financial assets	8,007	5,041	-	-	-	-	8,007	5,041
Land and buildings	177,224	90,504	1,724	224	-	-	178,948	90,728
Infrastructure, plant and equipment	148,596	125,821	10,407	4,744	-	-	159,003	130,565
Intangibles	32,482	23,158	823	351	-	-	33,305	23,509
Inventories	3,092	2,848	134	81	-	-	3,226	2,929
Other non-financial assets	12,255	9,555	184	21	-	-	12,439	9,576
Total	912,974	789,742	29,550	28,458	10,772	9,024	953,296	827,224
Departmental Liabilities:								
Suppliers	98,496	61,682	1,941	2,233	308	3,427	100,745	67,342
Dividends	-	364	-	-	-	-	-	364
Other payables	24,917	15,003	2,928	2,739	417	(9)	28,262	17,733
Tax liabilities	-	2,171	-	-	-	-	-	2,171
Employee provisions	187,522	160,126	24,394	22,811	-	-	211,916	182,937
Other provisions	12,912	11,700	194	1,414	-	-	13,106	13,114
Total	323,847	251,046	29,457	29,197	725	3,418	354,029	283,661

* Assets and liabilities that can not be reliably attributed to outcomes.

Outcome 1 and 2 are described in Note 1.1. Net costs shown include intra-government costs that were eliminated in calculating the actual Budget outcome.

Notes to and forming part of the Financial Statements

Note 23C: Major Classes of Administered Expenses, Income, Assets and Liabilities by Outcomes

Particulars	Outcome 1		Outcome 2		Not attributed *		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Administered Expenses								
Suppliers expense	15,096	6,825	-	-	-	-	15,096	6,825
Grants	97	-	-	-	-	-	97	-
Total	15,193	6,825	-	-	-	-	15,193	6,825
Administered Assets								
Cash	6	-	-	-	-	-	6	-
Receivables	55	163	-	-	-	-	55	163
Prepayments	14	8	-	-	-	-	14	8
Total	75	171	-	-	-	-	75	171
Administered Liabilities								
Suppliers payable	1,964	2,001	-	-	-	-	1,964	2,001
Total	1,964	2,001	-	-	-	-	1,964	2,001

Glossary and Indexes

Australian Federal Police / **Annual Report 2009-10**

Glossary

List of shortened terms

AFP	Australian Federal Police
ASEAN	Association of Southeast Asian Nations
ASEANPOL	ASEAN Chiefs of National Police
ATS	Amphetamine Type Stimulant
AusCERT	Australia's Computer Emergency Response Team
PROMIS	Police Real Time Online Management System
SPOKES	Sharepoint Organisational Knowledge Exchange System
SATGAS	Satgas Atbara is an Indonesian special operations counter-terrorist task force
TSETT	Transnational Sexual Exploitation and Trafficking Team

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