Ministerial Advisory Group on Transnational, Serious and Organised Crime

LEAD BOLDLY, ACT DECISIVELY

Tackling and Dismantling Organised Crime

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September 2025

Law enforcement is still chasing symptoms, not systems. Exceptional individuals working in law enforcement are constrained by legacy tools, bureaucratic structures and performance frameworks that were created for a bygone age.

Tony Blair Institute for Global Change, A New International Approach to Beating Serious and Organised Crime

Every major drug trafficking organisation in the world is either operating in New Zealand or actively looking at our market. They have access to much larger markets than ours but nevertheless are focused on New Zealand.

New Zealand law enforcement liaison officer in Europe

The rule of law, community wellbeing, economic development, and national security are undermined and compromised by transnational organised crime… Aotearoa New Zealand acknowledges the clear increase in the scale, scope, sophistication and impact of transnational organised criminal activity including the rising role of online technology to facilitate such activity.

New Zealand country statement to Conference of States Parties to the UN Convention Against Transnational Organised Crime, October 2023.

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INTRODUCTION

1. Transnational serious organised crime (referred to as organised crime or TSOC) is becoming the number one threat to New Zealand's national security. It threatens our peace and prosperity, our economy, our institutions and our communities. It threatens our very fabric as a nation.

2. Organised crime is our common enemy. It is the enemy of all New Zealanders. Yet, our current response is siloed and inadequate. It creates intolerable risk.

3. We need to act now. We need to be decisive. And we need to be bold.

4. The Ministerial Advisory Group for Transnational, Serious and Organised Crime (advisory group) has spent six months preparing independent advice to the government on the changes required to tackle organised crime.[1] The advisory group has engaged with a wide range of stakeholders across the public and private sector, both in New Zealand and overseas. It has become increasingly evident that the current response to organised crime is not working. The problem will only get worse.

5. In this report, we deliver a solution.

6. The solution is designed to provide a cohesive approach to tackling organised crime. It will integrate a system response across government, the public and private sector and our communities. It also recognises that New Zealand is a significant destination for illicit drugs, creating demand that drives criminal activity abroad, including in source countries and along Pacific supply routes. Addressing this issue domestically is critical not only to protect New Zealand, but also to contribute positively to regional stability and the security of our Pacific neighbours.

7. This solution is a new structure that is designed to provide a focused, agile and cohesive view to unlock the power of the system by ensuring:

   a. each component of the system is accountable for its own role

   b. every part of the system works seamlessly with the other parts

   c. the system adapts quickly to identify and address emerging risks, vulnerabilities and gaps, with a focus on a preventive rather than reactive response

   d. we learn from experiences both in New Zealand and overseas, and we do not repeat mistakes of the past

   e. and the passionate and driven people across the government, private sector and communities who are already working hard to tackle organised crime see meaningful return on their efforts, and genuine results.

8. This is not a short-term solution. As we have said before, we cannot address a generational issue with short-term answers. But the solution is designed to provide both immediate improvements, and a long-term sustainable model to ensure that the system remains resilient through successive government terms.

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[1] Available on the advisory group section of Customs website.

9. There are several components to our solution, which is set out in full on page 25. The key components are:

   a. a **dedicated TSOC Minister,** who will lead delivery, drive cross-agency accountability, and champion system reform at a Cabinet level

   b. a **refreshed TSOC Strategy**, owned by the TSOC Minister, that aligns enforcement, regulatory, and social sector efforts around shared priorities

   c. a **TSOC Charter,** through which each government agency involved in the response to organised crime will commit to prioritising its part in the response

   d. a governance structure in the form of **an interdepartmental executive board,** with responsibility to support the TSOC Minister to deliver on the TSOC Strategy through an action plan that will drive an informed, coordinated, accountable, and prevention-led national response to organised crime

   e. a central function in the form of a **TSOC Business Unit,** led by a Chief Executive**,** to support the TSOC Board with system development and accountability functions by identifying gaps and vulnerabilities, and driving a process of continuous improvement across the system

   f. implementation of **mechanisms to deliver** on the TSOC Strategy, including:

      i a comprehensive **national risk assessment** to inform understanding of risk

      ii setting of **system priorities**, informed by risks and vulnerabilities

      iii **agency workplans**, setting out key actions that enforcement, intelligence and social sector agencies will take to contribute to the response to organised crime

      iv **accountability levers** across all levels of the system

   g. the roles of and interfaces with **key partners**, namely:

      i enforcement and intelligence agencies

      ii social sector agencies

      iii private sector businesses

      iv iwi and communities

      v international partners

10. These components are designed to complement each other and to be implemented together – without all components, the utility of the system will be significantly weakened. A smaller, scaled back version will not succeed.

11. This solution will require a team effort. It is our answer, as a country, to the threat of organised crime. It will need to be driven by Ministers, public sector leaders, enforcement agencies, social sector agencies, iwi, private sector, and the public.

THE SITUATION IS DIRE

12. The tone in each of our reports has been dramatic.

13. That is because organised crime is one of the most significant threats we face as a country. The extent of the threat cannot be understated or underestimated.

Organised crime spans a wide range of illicit activities, including illicit drug trafficking, financial crime, cybercrime, and exploitation of people.

It is a worldwide problem that undermines community wellbeing, governance, economic development, and national security.[2]

14. In our March report, we said New Zealand is losing the fight against organised crime.[3]

15. We emphasised that this is not from a lack of will – the people and agencies involved in the fight are dedicated and passionate about stopping organised crime. But the system, with agencies working in silos and a distinct lack of accountability mechanisms, is not set up to respond to this present, evolving and escalating threat. The actions being taken by agencies are not reducing the impact of organised crime on New Zealand – instead, the problem is getting worse. A new approach is required.

16. As we said, New Zealand needs to act, and to act with urgency.

Organised crime isn't just about drugs and money laundering – it is driving some of the most serious violence and harm in communities across our country. Organised crime is a threat to our national security. It compromises the safety and wellbeing of New Zealanders. Tackling organised crime head on is non-negotiable.

Richard Chambers, Commissioner of Police

Organised crime is a national security threat

17. Organised crime is recognised in the government's National Security Strategy as a core national security issue.[4]

18. The threat of organised crime is not just a risk that might impact New Zealand in the future. It is here today. It wreaks havoc in our communities, it makes legitimate businesses less competitive and it corrupts our institutions. It affects the safety of our children, the integrity of our economy and the health of our country.

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[2] Secure Together Tō Tātou Korowai Manaaki – New Zealand's National Security Strategy 2023-2028, p 24.

[3] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) March Report: Combatting Organised Crime.

[4] Secure Together Tō Tātou Korowai Manaaki – New Zealand's National Security Strategy 2023-2028.

Organised crime is not a potential national security threat. It's a current threat. It's happening right now.

Mike Pannett, Assistant Commissioner, NZ Police

19. Organised crime is a global issue. We cannot, as a nation, stop organised crime - but we can invest in ways to prevent organised crime networks from targeting New Zealand. That investment today is crucial to reduce the social costs associated with the increasing threat of organised crime in the future.

20. New Zealand prides itself as being an easy place to do business. For our economy to grow we need to open ourselves to foreign markets. We cannot close ourselves off to the outside world. But that also makes us vulnerable to exploitation by organised crime, particularly because New Zealanders will pay top dollar for illicit goods.

21. In order to convince organised criminal networks not to target our country, our systems and settings must be designed to make New Zealand the hardest place in the world for organised criminal networks to operate.

We actually need to go to work and actually work out how we're going to push back on transnational organised crime, because the resources coming out of the cartels and out of organised crime are massive, and that's why we've got to coordinate better.

Rt Hon Christopher Luxon, Prime Minister[5]

Organised crime is expanding in scale, reach, and ambition

22. Organised crime is moving at the speed of technology, but our response is moving at the speed of the law. This is a problem globally.

23. The rapid and exponential growth in the reach and ability of organised criminal networks, including across borders, has left our systems response lagging behind. We have seen similar widening of the gap in a number of countries overseas. Law enforcement has been working hard and developing new initiatives to detect and disrupt organised crime, but significant and decisive system level change is required if we are serious about even catching up, let alone getting ahead of organised crime.

24. High profits enable organised crime groups to invest in rapid advances in technology such as encrypted communication methods. The proliferation of AI tools is accelerating this evolution. These tools are expanding criminal capabilities and exploiting fragmented global and national enforcement systems.

[5] Quoted in Giles Dexter (11 September 2025) 'New Zealand to host the 2027 Pacific Islands Forum' RNZ News

25. New Zealand has not yet experienced some of the extreme impacts of organised crime seen overseas, such as gun battles on the docks of Rotterdam,[6] black market tobacco shootings in Australia[7] or destabilisation of states like Ecuador,[8] but the trajectory is clear.[9] Without decisive action, organised crime will continue to thrive, undermining public safety, financial security, institutional integrity and global stability.

Organised crime causes real harms

26. Through our monthly reports, we have presented a confronting picture about the harms that the country is suffering as a result of organised crime. This includes harms from crime involving drugs, cyber enabled fraud, migrant exploitation and black market tobacco. Aspects of organised crime are also drivers of violence and family and intergenerational harm.

> *The burden and price of organised crime is not being paid in Wellington, it is being paid in our small towns, in our vulnerable communities.*
>
> ***Helmut Modlik, Chief Executive, Te Rūnanga o Toa Rangatira***

Drugs

27. Importation of illicit drugs into New Zealand by organised criminal groups causes massive social harm. The cost of personal and community harms caused by methamphetamine, cocaine and MDMA was estimated at $1.65 billion per year in 2024.[10] Abuse of illicit drugs destroys lives, families and communities, and places huge pressure on an already strained health system.[11]

28. The drug epidemic is on the rise. Customs has never been busier stopping the shipment of illicit drugs across our border, catching more per week now than they were catching in an entire year only a decade ago. But despite that good work, drugs are still flooding in.

29. The massive increase in the consumption of methamphetamine in New Zealand over the past year, shown through wastewater results, indicates the scale of the issue. In the March 2021 quarter, around 10kg of methamphetamine was consumed every week. That more than tripled over the course of 2024 to a peak of over 35kg per week,

[6] Senay Boztas (3 July 2022) 'Mob-style killings shock Netherlands into fighting descent into 'narco state'', The Guardian.

[7] Cason Ho (11 August 2025) Three shootings and arson in suburban Perth potentially linked to organised crime, ABC News.

[8] Eduardo Gamarra (13 January 2024) 'How Ecuador went from being Latin America's model of stability to a nation in crisis', The Conversation.

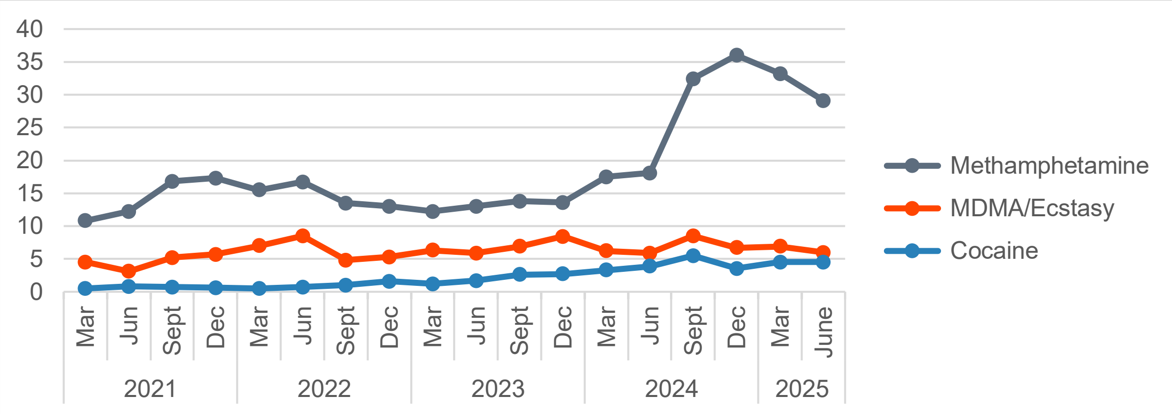
[9] General Secretariat of the European Union (2025) Organised Crime: A growing threat to democracy.

[10] National Drug Intelligence Bureau (2025) Drugs in Wastewater 2024 Annual Overview.

[11] Mental Health and Wellbeing Commission (2024) Kua Tīmata Te Haerenga | The Journey Has Begun — Mental health and addiction service monitoring report 2024: Access and options. Access to specialist addiction services decreased by 15.9 percent between 2018/19 and 2022/23.

consistent with trends seen in Australia.[12] Use of methamphetamine remains unacceptably high.

Figure 1: Estimates of total weekly consumption of selected illicit drugs (kg) by quarter



Source: ESR/NDIB: Wastewater Monitoring Programme.

30. The drug epidemic harms Kiwis every day:

    a. The individual costs of drug addiction, particularly methamphetamine, are immense. Drug addiction can happen to anyone, from any background. It has a lifelong effect on livelihood and health, including mental health, leading to despair and desperation.

    b. The societal cost of drug addiction is massive. Community harm caused by drug use was estimated in 2023 at $21 million per week.[13] The personal cost to families and friends of those taken down the path of addiction is also huge - they are harmed in immeasurable ways.

    c. Drug use leads to increased violent crime, whether from the use of the drug or in order to fund drug habits, placing every day New Zealanders at risk. A couple of the many sobering examples we have seen are the murder of dairy worker Janak Patel following an aggravated robbery of a dairy by an offender high on methamphetamine,[14] and the murder of a two-year old child during methamphetamine-induced psychosis.[15]

    d. The safety of innocent people on the roads is threatened by drug impaired drivers. ESR data from 2017 and 2018 shows that at least 50 per cent of drivers killed in crashes had drugs in their system.[16] If drugs continue to flood into our country, they will result in the deaths of more Kiwis on the roads.

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[12] Australian Criminal Intelligence Commission National Wastewater Drug Monitoring Programme Report 24, p 59.

[13] Ministry of Health, The New Zealand Illicit Drug Harm Index 2023.

[14] Catrin Owen (26 June 2024) 'Auckland's Sandringham dairy stabbing: Life imprisonment for 501 who killed Janak Patel', Stuff.

[15] Craig Kapitan (20 March 2024) 'Bay of Plenty child killer Aaron Izett, who drowned daughter Neveah Ager, loses sentence appeal', NZ Herald.

[16] Ministry of Transport (2020) Updated Impact Statement: Enhanced drug driver testing, p 13.

e. Drug use in the workplace poses a significant health and safety risk, threatening everyday Kiwis who want to come home safe each day.

31. While much of the current focus is on the scourge of methamphetamine, we also have to be alert to future threats such as opioids, including fentanyl in particular. Fentanyl, a synthetic opioid, has not yet taken hold in New Zealand, but the devastating effects of fentanyl use is starting to become evident overseas. In the year between October 2023 and September 2024, there were approximately 87,000 opioid related deaths in the United States. Many believe that for New Zealand it is a matter of when, not if. But we have a rare opportunity to act now, to prevent fentanyl from becoming our next crisis. If we could go back to a time before methamphetamine arrived, knowing what we now know about the cost our country has paid, we would throw everything we had at stopping it from coming in. We are now on the edge of another tipping point. We should be throwing the kitchen sink at stopping fentanyl, a new scourge, from taking hold.

32. Organised crime activities are also increasing substantially in the Pacific. The region has become a key transshipment hub for illicit drugs, particularly methamphetamine and cocaine. For example, criminals are using unmanned “narco-subs” to evade detection by radar and other maritime surveillance across the Pacific and into markets like New Zealand.[17] Pacific nations are experiencing rising drug use, corruption, and infiltration of legitimate businesses by criminal groups. There is a risk that some of our Pacific neighbours may become overrun by organised crime.

Record GBL Seizure Disrupts Transnational Drug Network

In August 2025, a joint Police and Customs operation led to the largest-ever seizure of gamma butyrolactone (GBL) at New Zealand’s border - 1,950 litres, with an estimated street value of NZ$14 million.

The six-month investigation, codenamed Operation Hermes, targeted a transnational criminal network operating in the Wellington region. Four men were arrested following coordinated search warrants across the lower North Island. Charges include importation and possession for supply of GBL, methamphetamine, and cocaine.

This case demonstrates the effectiveness of intelligence-led border targeting and the importance of cross-agency collaboration in disrupting large-scale drug trafficking operations before they reach New Zealand communities.[18]

Cyber fraud

33. New Zealanders and businesses are increasingly being targeted by cyber fraud driven through sophisticated social engineering and advanced technologies. Consistent with global trends, it has become the most common form of fraud in New Zealand, often stripping life savings from Kiwis and causing significant harm to businesses. The economic and social consequences are severe, with much of this activity orchestrated

[17] Margot Staunton (20 August 2025) ‘Narco-sub threat: Expert warns drug cartels using 'new trend' to target the Pacific | RNZ News’, RNZ News.

[18] New Zealand Police and Customs (28 August 2025) Wellington arrests for New Zealand’s largest seizure of Class B controlled drug GBL .

by organised crime groups offshore, exploiting New Zealand's vulnerabilities through highly sophisticated schemes.[19]

34. In 2023, New Zealand fraud victims reported direct losses of $397 million, with related social costs of a further $989 million.[20] That is real money, taken out of the pockets of hard-working New Zealanders. The crime is highly attractive to organised groups due to its low cost of entry, difficulty of detection, global reach, and high profitability—making it a low-risk, high-reward enterprise.

We need to take a whole of ecosystem approach to effectively combat fraud, which is increasingly being undertaken by international organised crime targeting New Zealand.

Duncan Robertson, CEO, GetVerified

35. In addition to increasing financial harm, cyber fraud is a national resilience issue, eroding public trust, destabilising businesses, and fuelling and funding the expansion of further organised crime.

New Zealand Anti-Scam Alliance

In July 2025, the government launched the New Zealand Anti-Scam Alliance, a cross-sector partnership between government agencies, banks, telecommunication companies, digital platforms and consumer groups.

The alliance aims to:

- share scam intelligence across sectors
- coordinate disruption of scam websites, phone numbers and accounts
- raise public awareness and improve prevention tools
- develop a national anti-scam strategy.

The alliance was formed in response to rising scam losses, with over 60% of New Zealanders encountering scams monthly and which could be as high as $2 billion a year including unreported losses.

This initiative reflects a shift toward real-time, system-wide disruption of cyber-enabled fraud, and shows how public and private sectors can work together to reduce harm and build trust.[21]

[19] Ministry of Justice (2024) New Zealand Crime and Victims Survey. Key stories – Cycle 6, pp 12-13.

[20] Ministry of Justice (2024) New Zealand Crime and Victims Survey. Key stories – Cycle 6, p 13.

[21] Ministry of Business, Innovation & Employment (2025) Combatting online financial scams.

Migrant exploitation

36. New Zealand has been largely insulated from the extreme effects of migrant exploitation and people trafficking seen overseas. But if international trends are seen in New Zealand, the problem will get significantly worse.

The construction industry is being controlled by organised crime. To the point that you can't get a large building constructed without, on some level, needing organised crime and an exploited migrant workforce.

Australian Federal Police Officer, speaking about the construction industry in Melbourne

37. Last year, Immigration New Zealand received nearly four times the number of migrant exploitation complaints compared with the previous year.[22] It is highly likely that serious migrant exploitation, such as people trafficking, forced labour and sexual exploitation, is underreported and growing within New Zealand. The risk can be exacerbated by things such as free trade agreements, which relax visa entry requirements. These competing priorities - namely driving our economy and protecting New Zealand - must be carefully assessed and balanced.

38. Companies that are exploiting migrants are also being used to launder drug money. Not only does this feed the pockets of organised crime groups, companies using exploiting migrants undercut legitimate business, making them uncompetitive.

Cannabis grow house network linked to Vietnamese organised crime

In September 2025, Police shut down 120 cannabis grow houses across Auckland in a month-long operation targeting Vietnamese organised crime groups. The raids resulted in:

- 30 arrests
- 10 tonnes of cannabis seized
- $58 million in criminal revenue disrupted.

Grow houses were hidden in plain sight in ordinary rental properties across suburbs like Pōkeno, Pakuranga, Henderson and Torbay. Many were fitted with illegal wiring to steal electricity, creating serious fire risks.

Most of those arrested were Vietnamese nationals, many already facing deportation. Some of those tending the grow houses had been deceived into coming to New Zealand, with a promise of legitimate employment. Police have warned landlords to carry out proper checks, noting that private rentals are increasingly exploited by organised crime for drug cultivation.

This operation builds on efforts in 2023 and 2024, which targeted similar syndicates operating across Auckland and Waikato. It highlights the intersection of organised crime, housing vulnerability and public safety, and reinforces the need for cross-sector vigilance and disruption tools.[23]

[22] 933 and 3,925 respectively. Not all of these complaints relate to organised crime.

[23] NZ Police (25 September 2025) Police deal significant blow to organised crime, uprooting 120 cannabis grow houses.

UK sanctions regime targeting people smuggling networks

In July 2025, the UK introduced the world's first sanctions regime specifically targeting organised immigration crime. The regime allows the UK Government to impose asset freezes and travel bans on individuals and entities involved in people smuggling and migrant exploitation.

Key features:

- targets organised crime groups facilitating irregular migration, including those supplying small boats and forged documents
- enables sanctions against financial facilitators, such as informal money transfer networks (e.g. Hawala)
- supports international cooperation to disrupt transnational smuggling routes
- complements law enforcement by cutting off access to the financial system.

This approach reflects a shift toward financial disruption as a core tool in countering organised crime. It also highlights the growing convergence between migrant exploitation, human trafficking and transnational criminal networks.[24]

Black market tobacco

39. High duties on cigarettes has made the importation of black market tobacco (undeclared and uncustomed tobacco) a massive growth industry. Organised criminal groups are exploiting the lower risks involved with importing tobacco, compared to drugs, to profit off the New Zealand public and to take those profits offshore.

40. The Australian experience is that violence and other crime normally associated with control of the illicit drug market will soon emerge in New Zealand in relation to black market tobacco, as this lucrative industry becomes more competitive, placing additional demands on the New Zealand justice system.[25]

41. Organised criminals are not paying tax on this tobacco. Without the tax revenue to offset the health costs from those using tobacco, all tax paying Kiwis bear those costs. New Zealanders are left with the burden.

Malaysian organised crime trio sentenced for smuggling half a million cigarettes

In August 2024, two men and a woman were sentenced for defrauding Customs revenue, importing prohibited goods, selling uncustomed goods, using forged documents and participating in an organised criminal group.

Customs began investigating when a New Zealand company discovered their address was on importation documents without their knowledge. The import was linked to the Malaysian trio, who

[24] UK Foreign, Commonwealth & Development Office (22 July 2025) UK brings forward world's first sanctions regime to smash the gangs responsible for irregular migration .

[25] The problem became so serious that Australia created an Illicit Tobacco and E-Cigarette Commissioner at a cost of $AU188 million over four years.

had arrived in New Zealand as visitors several weeks prior. Customs discovered two consignments containing 481,640 cigarettes, representing $675,000 in revenue evasion.

Chief Customs Officer Nigel Barnes noted this was Customs' first successful conviction for tobacco importers participating in an organised criminal group, saying "this was a calculated fraud by an international group who intended to rip New Zealand off. Illicit tobacco is not a victimless crime. It takes money out of our communities and puts it into the pockets of criminals".[26]

Gangs

42. As of 10 July 2025, there were 10,009 gang members recorded on the Police National Gang List. New Zealand based gangs play a key role in transnational organised crime, both through their own criminal activities and supporting transnational organised criminal groups, such as South American cartels, to bring their crime to New Zealand.

43. New Zealand's gang landscape has changed dramatically since Australia's introduction of its controversial "501" deportation policy. This has resulted in a large number of gang members who have been deported to New Zealand and set up chapters of Australian and international gangs such as the Comancheros and Mongols. They have brought a higher level of violence, sophistication and organisation to New Zealand's gang scene, as well as established international contacts to enable transnational criminal networks to break into the New Zealand market.

> *There is an opportunity… to position the offshore cartels as the real enemies to our whānau, communities and nation, and to nudge those in the traditional gang community to resist methamphetamine and reject the cartels. "Patu tēnei ngārara: let's subdue this pest."*
>
> ***Denis O'Reilly, community leader and life member of Black Power***[27]

Reputation

44. All of these organised crime harms affect New Zealand's reputation as a safe country. They affect whether people want to live here, whether foreign investors want to invest their money in our economy and whether tourists want to visit. New Zealand has a proud reputation as a safe place – that reputation is at risk.

45. This is not just a branding issue. New Zealand was number one in the world in the Corruption Perceptions Index. We are now fourth. This remains a strong position, but we are trending downwards. Further drops present a risk to New Zealand's reputation.

[26] Customs (23 August 2024) Trio sentenced for smuggling half a million cigarettes.

[27] Denis O'Reilly (31 May 2025) 'P for pestilence', *The Listener*, p 4.

Organised crime generates significant profits

46. In 2024, the Police Financial Intelligence Unit estimated that profits from drug and fraud crime likely exceed $1.6 billion annually. Much of this profit is transferred offshore or reinvested in further criminal enterprise.[28] We have to disrupt the financial flows of these criminal enterprises to mitigate their influence and harm.

47. In our April report, we said that it is critical to follow the money.[29] We explained that just like the legitimate economy, organised crime networks seek markets where it is the easiest and safest for them to do business. Their business models are designed to be resilient and flexible. But the one thing they can't do without is money.

48. We recommended a comprehensive and coordinated approach to disrupt the financial power of organised crime groups. By improving and strengthening legal frameworks (in particular, the money launder offence), developing and leveraging financial intelligence, and fostering international cooperation, New Zealand can become the hardest place in the world for organised crime to be carried out.

Operation Mexted – transnational drug syndicate dismantled

In September 2025, a five-month joint Police and Customs investigation - Operation Mexted - led to the arrest of 11 individuals linked to a transnational organised crime syndicate operating across Auckland and Waikato.

The operation resulted in the seizure of:

- 18 kilograms of methamphetamine
- nearly $1 million in cash
- firearms, including four glocks and a submachine gun.

The syndicate involved US nationals and local associates and was responsible for multiple importations of methamphetamine as well as cannabis resin.

This case underscores the evolving sophistication of transnational crime groups, and the importance of cross-agency intelligence and financial disruption tools in dismantling criminal networks before they embed further in New Zealand communities.[30]

[28] New Zealand Police Financial Intelligence Unit (2025) *New Zealand National Risk Assessment 2024 on Money Laundering, Terrorism Financing and Proliferation Financing*, pp 24 and 28.

[29] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) April Report: One of the biggest lies in the world is that crime doesn't pay. Of course, crime pays.

[30] New Zealand Police and Customs (19 September 2025) Five-month operation lands 11 in court | New Zealand Police.

Corruption and insider threats are growing

49. In our May report, we identified insider threats as a pressing concern.[31] Organised crime groups are using money, intimidation and family connections, to get the support of trusted insiders to exploit weak points across the system.

50. The most obvious current example in New Zealand is the ongoing problem of corrupt baggage handlers and port workers.

Organised crime in New Zealand is no longer a distant threat, it is already insidious in the very supply chains that sustain our communities. At Port of Tauranga, we witness how extensive, agile and determined these networks are, and it's clear that we must all work together with urgency to protect the integrity of our borders, economy and people.

Port of Tauranga representative

Operation Matata: drug smuggling through Auckland Airport facilitated by corrupt baggage handlers

Operation Matata, a joint Police-Customs investigation, unravelled a major transnational organised crime syndicate working with local gangs to import significant quantities of methamphetamine and cocaine into New Zealand.

The syndicate was allegedly smuggling Class A drugs through unattended baggage on international flights, primarily through Auckland International Airport.

In total 15 current and former baggage handlers employed by airline baggage handling agencies at Auckland International Airport have been charged. During the investigation, Customs working alongside US authorities seized 631 kilograms of methamphetamine and 112 kilograms of cocaine.

The retail value of the methamphetamine seized is estimated at $220 million, with an estimated social harm of $700 million.[32]

51. Corruption within institutions strengthens organised criminal groups, creating a cycle of criminal expansion and institutional decay. This includes agencies such as the Police, Corrections, Immigration and Customs, each of which has a crucial enforcement and intelligence role. These agencies work hard to stay corruption free, but they are vulnerable. We can see from experiences in Australia experience that organised crime groups will seek to corrupt these pressure points. If our institutions are corrupted, the road to recovery becomes incredibly difficult.

[31] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) May Report: Corruption in New Zealand and the Pacific.

[32] New Zealand Customs Service (31 July 2025) Operation Matata: 'Significant threat' exposed in second phase of smuggling operation.

We tell our staff to focus on the flag of Fiji. Focus on your national pride. But when you have kids and a mortgage, sometimes the flag starts to flutter.

Fiji Navy, Maritime Essential Service Centre

We are at the precipice

52. The examples cited in this section of the report illustrate law enforcement agencies engaging in successful multi-jurisdictional responses to organised crime. But despite that good work, the threat is growing.

53. Drugs continue to flood into the country. Wastewater results indicate that drug use is skyrocketing. Cyber fraud has grown exponentially. Organised criminal groups are growing in sophistication and ambition, and are targeting profits from emerging threats, such as fentanyl, exploited migrants and black-market tobacco. We have seen what has happened overseas, including to our closest neighbour Australia. New Zealand is at the precipice – the international trends tell us that things can and will get a lot worse if we do not throw everything we have into the fight against organised crime.

But there is hope

54. The situation might be dire and the threat present, but there is hope.

55. Good people carry out exceptional work every day to drive the response to organised crime. The system needs to support this exceptional work. The system needs to ensure that it is converted into results that are effective, efficient and measurable.

56. The threats and harms that we have explained, along with the hope for the future, has led the advisory group to the solution set out in this report. The solution is designed to strengthen the system, horizontally integrate the whole-of-government machinery and strike an appropriate balance between a prevention and enforcement based response.

DEVELOPING THE PROPOSED SOLUTION

Our mandate

57. The advisory group was established by Hon Casey Costello, the Minister of Customs and Associate Minister of Police, to provide high quality, independent expert advice to the government on tackling organised crime. Her direction was to be bold and to find a solution that will work.

58. The objective for the advisory group, as set in our terms of reference,[33] was to provide advice that identifies:

    a. the gaps, blockages, and obstacles (including organisational cultural issues) hindering effective and efficient cross-agency collaboration between government agencies to identify, investigate and prosecute TSOC activity in New Zealand

    b. options to disrupt TSOC activity through regulatory enforcement (including prosecution) both as individual, agency-specific activity and in collective, targeted operations

    c. engaging government regulatory agencies to actively work with law enforcement agencies to detect, disrupt and dismantle TSOC groups and activity

    d. overseas jurisdictions that use a combined regulatory and law enforcement approach to the disruption and prosecution of TSOC activity and how these approaches could be applied in the New Zealand context

    e. the optimal cross-government governance arrangements to ensure government interagency collaboration in the investigation and prosecution of TSOC.

Our methodology

59. During the review process, we have spoken to a wide range of different stakeholders across more than 150 different meetings. We have spoken to Ministers, public sector leaders, private sector representatives, iwi and community leaders and partners overseas, including in Australia, Fiji, Tonga and the United Kingdom. A list of agencies and groups we have spoken to is included at **Appendix One.**

60. Those stakeholders have shared their views on what is and is not working with the current response to organised crime.

61. We are grateful for the candour shown during this process and the evident willingness of all of these stakeholders to continue to drive the fight against organised crime. Our detailed acknowledgements are set out in **Appendix Two.**

62. We have maintained momentum on this work by providing monthly reports to Minister Costello and to the media and the public. Our monthly reports have addressed key thematic issues. Through these reports, we have recommended practical changes to strengthen the system response. We include a full list of the recommendations that we

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[33] Hon Casey Costello, Minister of Customs and Associate Minister of Police (2025) Ministerial Advisory Group on Transnational, Serious and Organised Crime: Terms of Reference.

have made to date at **Appendix Three,** along with a comment about those for which implementation work has already commenced. We encourage the government to continue to review and implement those recommendations.

63. This final report builds on those recommendations by tying them together into a cohesive solution.

64. Through the process of developing this solution, we have worked cooperatively with other projects such as the Meth Sprint Team commissioned by the Prime Minister and the current TNOC leadership groups. We see opportunity to fold in the work carried out by them into our broader solution to organised crime.

65. We have already seen results, even before delivery of our final report. This is testament to the effect that establishing an independent advisory group has had. It also shows that the system wants to do better. It just needs a push in the right direction.

66. Our solution is that push.

Our vision

67. Our vision, consistent with the TNOC Strategy 2020, is for New Zealand to become the hardest place in the world for organised criminal groups and networks to operate, profit, and cause harm.

68. This requires resilient communities, strong institutions, and a coordinated system response that is agile, accountable, and future-focused.

69. To achieve this vision, we need to develop a future state that will:

    a. **Drive a coordinated and effective whole-of-system prevention-led response** to organised crime, supported by appropriate legislative and regulatory settings and resource allocation.

    b. **Support a unified operational response** based on clear strategic objectives, horizontal alignment and agreed priorities for action.

    c. **Hold agencies accountable** for delivering on their own priorities and their contributions to system-wide outcomes.

    d. **Monitor system performance** and drive continuous improvement by:

        i measuring and evaluating the effectiveness and impact of interventions

        ii detecting system vulnerabilities and emerging threats

        iii improving the response through continuous learning

70. Key components of our vision for that future state include:

    a. adopting a balanced prevention-led response to organised crime that recognises the critical roles of agencies, communities, iwi and the private sector

    b. building on relationships with international partners, including Pacific neighbours

    c. improving sharing of information, especially between government agencies

d. ensuring accountability

e. managing the interface between the organised crime response and other systems, such as the AML/CFT system.

71. We explain each of these components here.

A prevention-led approach

72. While strong and effective enforcement mechanisms are an important part of the response to organised crime, it is crucial that we also move towards an appropriate balance between an enforcement and a prevention-led approach.

73. We need to be proactive rather than reactive. That balance, with sufficient focus on prevention, will stop harm before it occurs, rather than responding through enforcement after the harm has already happened.

74. Trying to arrest our way out of this problem through an enforcement-led approach is like playing whack-a-mole. Organised criminal networks will keep bouncing back.

75. A prevention-led approach should target identified vulnerabilities, the root causes and enablers, rather than relying solely on enforcement and disruption. It needs to harden system settings to make it more difficult, costly and risky for organised crime groups to operate. This includes improving regulatory systems and oversight to prevent activities such as money laundering and migrant exploitation, while still taking enforcement actions where non-compliance is identified.[34] This will encourage proactive risk management within high-risk sectors, such as banking and finance, construction, freight and logistics, ports and airports, horticulture and the services industries. We also need to continue to strengthen border and supply chain integrity to eliminate the opportunities that trusted insiders may have to facilitate shipments of illicit goods.

76. The private sector can also play a key role in education. For example, in the last couple of years there have been numerous campaigns led by banks to educate the public on the risks of fraud and the ways people can protect themselves. We see a key role for the private sector industries noted above in keeping our economy safe.

77. In our June report, we identified communities as a key partner in the fight against organised crime.[35] Communities need to be given the tools to support the government's approach, they need to be supported by a government-wide framework, and they need to be given accessible, locally relevant information to help them to understand the problems at a regional and community level. To help communities understand the problems, more work needs to be carried out to properly understand the risks.

78. Communities and iwi can play a vital role in preventing and disrupting organised crime when they receive the right support.

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[34] This includes broadening the money laundering offence to ensure it captures a wider range of criminal behaviour and to ensure there are consequences for people who deal with the proceeds of crime, unless they can prove they reasonably believed the property was not the proceeds of crime, this is particularly important for those that enable funds to transfer across our borders which are then used as payment for illicit goods, and those who allow third parties to use their bank accounts as part of elaborate frauds. A money laundering offence that is more responsive to current threat is required.

[35] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) June Report: One Team Against Organised Crime.

79. A key part of being tough on organised crime means removing the customers of crime. Programmes like Resilience to Organised Crime in Communities (ROCC)[36] and Alcohol and Other Drug Treatment Courts[37] show how combining enforcement with social services can build resilience.

Social agencies need to support communities impacted by organised crime by enabling community solutions to community problems.

Jules Lynch, Regional Public Service Commissioner Auckland

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80. We support using the Social Investment Approach to direct resources toward those most at risk.[38] For example, to reduce the demand (the customer base) that organised criminal groups profit from, government should treat drug use as a health issue and expand access to community-based treatment options. The most recent statistics from the Ministry of Justice on drug offences show that we are trending in the wrong direction, with increasing convictions and imprisonment for drug possession offences (as distinct from importation or supply).[39] We need to shift the dial.

International partners

81. A prevention-led approach means recognising that our border is not our coastline - with transnational organised crime, it starts overseas. The best way to prevent organised crime occurring in New Zealand is to stop it before it even reaches our shores.

We (as Pacific nations) are all in this together. If someone is making the pool water unswimmable, it doesn't matter which lane you're in.

Fiji Immigration Office

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82. We need to maintain strong relationships with international partners, in particular our Pacific neighbours, to disrupt and prevent organised criminal networks before they bring their crime to New Zealand. This involves working with our partners to identify shared priorities, actions for mutual benefit and measurable outcomes.

[36] The ROCC Programme is a cross-agency work programme which complements the Transnational Organised Crime Strategy by delivering an end-to-end strategic response to organised crime. It combats domestic organised crime by combining social and economic intervention with targeted enforcement action to build local community resilience to organised crime.

[37] Alcohol and Other Drug Treatment Courts provide an alternative to incarceration for offenders with alcohol or drug addiction, and a treatment pathway with wraparound support services. AODT courts currently operate in Auckland, Waitākere and Hamilton, but have not yet been rolled out nationally.

[38] The Social Investment Approach uses data and evidence to identify individuals, families, and communities most at risk of poor outcomes; targets resources toward early intervention and prevention, rather than waiting for harm to occur. It focuses on long-term wellbeing and resilience, not just short-term fixes.

[39] Ministry of Justice (16 September 2025) *Key Statistics: Ministry of Justice drug offences data – financial year 2024/25*.

Information sharing

83. In our July report, we identified information sharing amongst agencies, and between the public and private sector, as one of the key barriers inhibiting an effective response to organised crime.[40] We need to use the information we have to stop organised crime.

84. We said that a significant transformation is necessary, and it is time for a mature conversation about our privacy settings as an enabler, rather than a barrier. We identified the need for a significant cultural shift – moving away from a risk-averse culture to a culture of proactive sharing of critical information. From a culture of need to know, to a culture of need to share. It will be important to involve the Privacy Commissioner in driving this change, to ensure that the new settings are still consistent with the legislative framework and the appropriate protections of personal information.[41]

85. We recommended development of a national TSOC Information Sharing Framework, supported by a Common Information Sharing Standard and a data lake architecture to enable proactive storage, sharing and use of information across government to target and disrupt organised crime.

Accountability

86. In our August report, we explained the critical need for accountability.[42] We said that for the response to organised crime to be effective, it is critical that those who play a role are held accountable for doing so.

87. We identified a need for clear expectations, an environment that enables those expectations to be met, mechanisms for monitoring performance, incentives to meet those expectations and consequences for those who fall short.

88. The need to improve accountability and reporting is not unique to the organised crime response. The Finance and Expenditure Committee's recent interim report has found that New Zealand's current system of performance reporting is fragmented, overly complex and poorly aligned with outcomes.

89. We recommended embedding accountability by designating to a Minister the responsibility for driving the development and delivery of the response to organised crime, and creating a dedicated team to support the responsible Minister to deliver on that response. We build on those recommendations in this final report.

90. We also recommended strengthening systems and performance monitoring through a Maturity Model[43] to ensure continuous improvement for policy development through to

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[40] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) July Report: Information Sharing.

[41] Recommendation A.2.1 – A.2.3 focus on improving access to financial and telecom data to respond to suspicious money transfers. Recommendation D.3.1. focuses on strengthening information sharing legislation, tools and culture.

[42] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) August Report: Leading the Fight Against Organised Crime.

[43] The TSOC Maturity Model is a qualitative framework developed under the TNOC Strategy 2020 to assess system-wide performance in responding to organised crime. Though still in draft, it is intended to guide continuous improvement, prioritise areas for investment, and enable cross-agency

operational activities. It is critical that legislative and policy development programmes are held accountable in the same way that operational activity is to ensure accountability across the whole system.

Performance reporting is focused on individual organisations and there is not enough reporting about the effect of organisations' activities or the outcomes they are working towards, or how those effects and outcomes are distributed across society.

Finance and Expenditure Committee, Inquiry into performance reporting and public accountability [44]

Managing the interface between organised crime and other systems

91. We have traditionally, and understandably, approached organised crime as a law enforcement issue. But as organised crime has evolved, so too must our approach.

92. We are now seeing interactions with other systems that have not previously played a role in this space. We have also identified the need for other parts of the public sector to play a critical role in the response.

93. The current emphasis on vertical accountability within the public sector - between ministers and Chief Executives - has led to a focus on the priorities of individual agencies over the complex, across the board issues that require horizontal, coordinated multi-agency responses.[45]

94. For enforcement agencies like Police and Customs, their role in responding to organised crime is clear. For others, it's less obvious. We've heard from some agencies that they lack visibility of their potential contribution. MBIE, for example, is fundamentally an economic development agency, focused on making New Zealand the easiest place in the world to do business. But this strength also presents a vulnerability. Organised crime can exploit the same systems designed to support legitimate enterprise. Agencies such as MBIE need to recognise the ability that they have to prioritise action and support the response. This includes, for example, MBIE's responsibilities for immigration, the Companies Office and the Labour Inspectorate. Similarly, social agencies may not have a role in the response to organised crime, but they have a key role to play in a prevention-led approach.

95. It is challenging to graft an integrated response onto systems that were developed under a different framework and for a different purpose. But this is the reality we are facing. We need to ensure the agencies and leaders that are responsible for these functions know what they can do to help, and are ready and able to support the system

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accountability. The advisory group recommends its implementation to support continued improvement in reporting on agency and system performance.

[44] Finance and Expenditure Committee (2025) Inquiry into performance reporting and public accountability.

[45] The focus on vertical rather than horizontal accountability has its genesis in the public service reforms of the 1980's, which aimed to increase efficiency, transparency, responsiveness and innovation and drive growth within the New Zealand economy.

response. Ultimately, we must ensure that all parts of this diverse system have a clear line of sight through to the objectives of the refreshed TSOC strategy so they take responsibility for their part in stopping organised crime.

96. Put simply, the current system as a whole is not fit for purpose to tackle and dismantle organised crime in 2025 or onward. A new approach is needed.

97. We turn now to that new approach.

OUR SOLUTION

The work done by the advisory group over the last six months has led us to a solution.

The solution requires bold, decisive action driven by a clear agreement on priorities.

If we are going to respond, and respond effectively, we need to commit to that bold, decisive action.

This diagram maps out the structure of our proposed solution and the key system components that will drive the overall response to transnational, serious and organised crime (TSOC).

Using this diagram

Detailed explanations for each of these elements of the solution are provided from the next page.

Click on any section of the diagram to go directly to the area you are most interested in.

1 **TSOC Minister**

2 **TSOC Strategy** – Charter | Funding

3 **TSOC Executive Board**
Police, Customs, DPMC, MBIE, MFAT

CE and Business Unit – System development | System accountability

Delivering on the strategy

- Risk assessment
- System priorities
- Agency work plans
- Accountability for delivery

Key Partners

Enforcement and Intelligence Agencies

- Business, Innovation and Employment
- Corrections
- Customs
- Police
- Inland Revenue
- Internal Affairs
- Justice
- Foreign Affairs and Trade
- Prime Minister and Cabinet
- Serious Fraud Office
- Conservation
- Defence Force
- Financial Markets Authority
- Primary Industries
- Reserve Bank
- Sport NZ
- Transport
- NZ Intelligence Community

Social Sector Agencies

- Social Investment Agency
- Social Development
- Health and Te Whatu Ora
- Education
- Te Puni Kōkiri
- Pacific Peoples

Linking initiatives

- Resilience to Organised Crime in Communities
- Regional Public Service Commissioners

Private Sector

- Banks and financial institutions
- Ports and airports
- Supply chain partners
- Construction
- Real estate
- Professional services
- Telecommunications providers

Communities and iwi

- Iwi and Māori
- Pacific communities
- Ethnic communities
- Local government
- Service providers and NGOs
- Drug rehabilitation services
- Media

International Partners

- Pacific countries
- Australian agencies
- International joint operations and intelligence fusion centres
- International and regional forums
- Offshore liaison posts – Police, Customs and Immigration etc

UNPACKING THE SOLUTION

98. Through our monthly reports, we have already made recommendations for improvements across a range of areas, and we encourage government to continue to implement those recommendations.

99. However, to achieve bold and transformative change, key structural and system changes are required. That is what our solution delivers. If Cabinet is unwilling or unable to provide support for the full structure and system in our solution, we would advise against attempting to implement a scaled back option. That would risk adding additional layers of actions rather than making genuine system improvement. Without critical mass to drive systems change, which comes from the interplay between each of the key components, the solution will not be effective.

100. The key components of the structure and system that underpins our solution are:

    a. a **dedicated TSOC Minister**

    b. a **refreshed TSOC Strategy,** supported by a TSOC Charter and a sustainable funding model

    c. an **interdepartmental executive board** to provide system governance

    d. a central function in the form of a **TSOC Business Unit,** with system development and system accountability functions

    e. implementation of **mechanisms to deliver** on the TSOC Strategy, including a comprehensive national risk assessment, setting of system priorities, agency workplans and accountability levers

    f. the role of **key partners**, namely:

        i enforcement and intelligence agencies

        ii social sector agencies

        iii private sector businesses

        iv iwi and communities

        v international partners

101. We recommend that the solution be supported for three years initially. That will provide sufficient time to meaningfully assess impact, whilst being short enough to ensure that momentum is maintained. We are confident that the solution will prove its worth within three years.

A TSOC Minister

[Our solution]

102. We recommend appointing a Minister that is responsible for leading the response to organised crime.

103. It is with some reticence that we have proposed another ministerial portfolio at a time where there are calls to consolidate rather than expand the public sector. But in this case, we think a new portfolio is clearly warranted. Without a strong Ministerial lead driving the response, the ship will be rudderless.

104. The response to organised crime is currently spread across at least 13 Ministries and at least as many Ministerial portfolios. For the solution to work, it needs one Minister with a horizontal view across the whole of government response, including enforcement, economic regulation and social sector portfolios, to drive concerted action at policy and operational levels at the Cabinet table. This involves a robust understanding of the trade-offs, costs and opportunities across the system, and the ability to advocate for the organised crime response and consider organised crime implications when policy decisions are made.

We don't have time to muck around coming up with a solution so what we're saying is if we have one minister who is accountable supported by a team, that's our best chance in our fight against organised crime.

Detective Superintendent Greg Williams, National Organised Crime Group[46]

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105. This does not mean we have to start from scratch. We already have a Minister responsible for the **preparation** of the TSOC strategy, but responsibility currently stops there. We are saying there should be a dedicated Minister responsible for driving **delivery** of that strategy and coordinated action across government.

106. The Minister's key roles would be to set the Government's strategy for organised crime, oversee implementation of the strategy and drive delivery of that strategy, including by holding other Ministers accountable for their agencies part in the delivery.

107. The Minister will need to be a powerful advocate in the fight against organised crime. The Minister must be in Cabinet, and will need the support of other Ministers who hold portfolios that intersect with the organised crime system.

108. The Minister's key responsibilities would be to:

    a. drive consolidated legislative reform

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[46] Juliet Speedy (13 September 2025) 'We are no longer a little island': Top cop says NZ needs minister for organised crime', stuff.co.nz / Three News.

b. centralise and lead policy development to avoid counterproductive outcomes, fragmentation and duplication

c. drive a culture of accountability and information sharing

d. hold agencies accountable for their performance

e. lead a targeted social investment strategy to reduce demand and build resilience in vulnerable communities

f. ensure smarter, more effective use of existing resources, including through horizontal oversight of multi-agency budget bids

g. advocate for investment in data analytics and digital infrastructure (e.g. a national data lake).

109. Accountability must start at the top. We think that the Minister, the Chair of the TSOC Board (discussed below), and/or the Chief Executive of the Business Unit (discussed below) should front up to media to provide the public updates on this critical issue on a regular basis, as the advisory group has done, to provide transparency and maintain public support for the strategy.

Priority Action: Clear system leadership [Recommendations E1.1-E.1.2.]

We recommend appointing a Minister that is responsible for leading a coordinated system response to organised crime. This Minister would take an overview across the enforcement, economic regulation, and social sector portfolios to drive action at both policy and operational levels.

A core responsibility of the Minister would be to hold agencies accountable for delivering on their roles under the Government's future organised crime strategy.

The Minister would be supported by a dedicated team to monitor cross-agency performance, promote transparency, and foster interagency collaboration and peer accountability, using reviews and lessons learned to improve system-wide efficiency and resilience.

The TSOC Strategy

[Our solution]

110. We need a strategy that leverages and builds on the strong will and capability already present within our enforcement and social agencies, but drives us towards a prevention-led system.

111. The foundations are there - what's needed now is a cohesive, prioritised, and accountable approach, supported by the right tools to enable success.

112. Many of the areas of system improvement we have identified were also a part of the TNOC Strategy that was released in 2020, which we understand is currently in the process of being updated. This strategy focused on:

a. **UNIFY:** a cohesive, integrated system-wide approach

b. **PREVENT AND DETECT:** strengthening capability and understanding

c. **DISMANTLE:** a coordinated approach to joint prioritisation of operational activity across agencies based on a shared view of maximum impact.

113. There is however a significant gap between the intent behind the strategy and what has been delivered over the last five years. In developing our solution, the questions we have asked ourselves are therefore:

a. What has prevented agencies or the system as a whole from making more progress on realising this vision?

b. What do we need to do differently to ensure it happens this time?

114. The answer is, first and foremost, accountability. One of the key limitations with the current approach is that while agencies may have the best of intentions to deliver on the TSOC Strategy, there are no mechanisms for holding them to that delivery or tracking the effectiveness of the response.

A Charter

[Our solution]

115. We recommend, as part of the refreshed strategy, developing a TSOC Charter. This Charter would be a formal written document that recognises organised crime as New Zealand’s greatest national security threat. It would set out the expectations on enforcement, intelligence and social agencies to prioritise and deliver on the response to organised crime.

116. The Charter would be signed by each Minister responsible for an agency involved in the organised crime response. By signing the Charter, the Minister would be committing their agency to deliver on the agency’s role under the TSOC Strategy. The Ministers would then make that delivery part of the KPIs for the Chief Executive of their agency. The Chief Executives would delegate responsibility for the response within their agency consistent with the work plan (discussed below). In that way, there would be accountability at every level.

Funding

[Our solution]

117. We are mindful of the current fiscal environment. We did not want to recommend a solution which would founder because of cost. We have worked to ensure our solution is as fiscally responsible as possible, by avoiding duplication and unnecessary bells and whistles.

118. There are three parts to the funding model:

a. **Core funding**: A baseline level of dedicated funding for the TSOC Board and the TSOC Business Unit will be critical to enable the solution to deliver success, as this will provide certainty to those key system components.

b. **Budget proposals:** It is critical to coordinate investment across the whole TSOC system. Current funding arrangements result in isolated initiatives that lack alignment with broader system goals. Agencies tend to fund their own activities independently, which can lead to duplication and inefficiencies. The Board should oversee a joint approach to developing Budget proposals that would promote a coordinated response to addressing system needs.

c. **Proceeds of Crime**: The Board, which will have horizontal oversight across the TSOC system, should also seek Proceeds of Crime funds to be reinvested back into the TSOC system. This would ensure that recovered assets are reinvested into priority areas such as prevention, disruption, community resilience and long-term infrastructure like shared data platforms.

119. As noted in our April report, Police restrain around 4.2 percent of the profits made by organised crime each year.[47] While this is good by international standards, we have proposed a set of reforms that would strengthen agency powers to target, restrain and seize the proceeds of crime. A more effective system and improved alignment of activities within the operational level, when combined with more effective legislation, will create more opportunity to recover wealth obtained through crime. We want to see those numbers to go up, and if our recommendations are implemented we believe they will. The more profit we take off organised criminals, the less they have to expand their criminal enterprises and the more we have to reinvest in the response.

A TSOC Executive Board

[Our solution]

120. Organised crime is not confined to the boundaries of any single agency. It operates across jurisdictions, sectors, and communities in a fluid and agile manner. We need strong leadership to drive the implementation of an aligned strategy across the organised crime system.

121. We recommend establishing an Interdepartmental Executive Board for Transnational Serious Organised Crime (TSOC Board) to lead the organised crime system.

122. The Board and its central support function will act as a lighthouse for the system. It will provide strategic guidance and clarity of purpose. It will support horizontal integration of the TSOC Strategy across agencies, while resisting the temptation to become directly involved in operational decisions.

123. The Board should be established initially for a period of three years. That will be long enough to enable a meaningful assessment of the delivery success, whilst maintaining momentum and accountability.

Interdepartmental executive boards

An interdepartmental executive board (IEB) is a legally established group of Public Service Chief Executives tasked with aligning strategic policy, planning, and budgeting across departments that share responsibilities in a particular subject area. It is established by Cabinet by Order in Council pursuant to section 26 of the Public Service Act 2020.

These boards are designed to tackle problems that no single agency can solve alone.

[47] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) April Report: One of the biggest lies in the world is that crime doesn't pay. Of course, crime pays, pp 3 - 4.

Examples include the Border Executive Board[48] (which was stood up to provide effective governance of New Zealand's border system during COVID) and the Centre for Family Violence and Sexual Violence Prevention,[49] which tackles family and sexual violence in New Zealand.

The key features of an IEB include:

- **Joint accountability:** Members are jointly responsible to a designated minister (in this case, that would be the Minister for TSOC).
- **Shared strategy:** Focus on coordination rather than service delivery.
- **Legal powers:** Can administer appropriations, enter contracts, and employ staff through a host department.
- **Focus:** Defined membership and remit.[50]

124. We have considered a range of other structural options, including a Cabinet-mandated Chief Executives' group (an extension of the status quo) or a new standalone agency that could take responsibility for coordinating the system response to organised crime. Our summary analysis of these alternative options is included at **Appendix Four**.

125. Our view is an IEB would be more suitable than these options:

   a. A Cabinet-mandated board would not have the same formal shared accountability, risking current approaches continuing without meaningful change.

   b. A standalone agency would be too expensive and slow to establish and would risk creating another silo within the system.

126. We need a Board that is bold and can hit the ground running.

Focus and purpose of the Board

127. The Board should focus on aligning strategy, policy and resource allocation across the relevant agencies. This will ensure the Minister receives whole-of-system advice to make informed decisions.

128. Members of the Board will focus on leading the system rather than representing individual agencies. They will focus on:

   a. using shared data and insights to frame discussions around system-wide impacts

   b. designing decision-making processes that prioritise collective benefit

   c. embedding accountability levers that track progress against system-level goals

   d. facilitating regular reflection on how governance decisions are enabling or constraining system change.

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[48] Border Executive Board

[49] Centre for Family Violence and Sexual Violence Prevention

[50] Supplementary guidance note - interdepartmental executive board - Te Kawa Mataaho Public Service Commission

129. We would also expect board members to be cognisant of their TSOC leadership role when participating in other cross-system leadership groups, such as, for example, the National Security Board.

Membership of the board

130. Executive boards work best when there are a limited number of actively involved contributors.[51] The Board should consist of no more than five members.

We created a smaller subgroup of our Board to drive delivery of our action plan which has given real momentum and focus.

Emma Powell, Chief Executive of the Centre for Family Violence and Sexual Violence Prevention

131. The members of an IEB are selected from the Chief Executives of the government departments that are included in the board's remit.[52]. The Public Service Commissioner is responsible for selecting the members of the Board, following consultation with the Minister for the Public Service.[53]

132. Relying on our experience, we suggest that the following agencies should be members:

Agency	Rationale
New Zealand Police	Core enforcement, intelligence and engagement functions.
New Zealand Customs Service	Core enforcement and intelligence functions, and responsibility for border security.
Department of the Prime Minister and Cabinet	Responsible for the National Security Strategy, directly accountable to Cabinet and the Prime Minister.
Ministry of Business, Innovation and Employment	Responsible for immigration and core economic regulation.
Ministry of Foreign Affairs and Trade	Strong international links, responsibility for developing trade agreements.

133. We have suggested these five agencies because the Board's primary function is system governance and, in our view, these agencies will have the most significant influence on system performance.

134. However, other agencies also play a critical role. We have considered a range of other possible candidate agencies, and this suggestion is certainly not intended to undermine the important role that other agencies will play in the response. For example, Inland

[51] Public Service Commission (2022) Supplementary guidance note - interdepartmental executive board.

[52] The departments with responsibilities in the subject matter area in which the board will work (Public Service Act 2020, s 26(2)(b)).

[53] Public Service Act 2020, section 29(1).

Revenue (IR) and Department of Internal Affairs (DIA) have critical roles in prevention, investigation and enforcement, the Department of Corrections is uniquely positioned to provide intelligence insights about organised crime, and the Social Investment Agency is a key link between the system and the community.

135. Other agencies, including the enforcement, intelligence and social agencies listed in the diagram above setting out the solution, will be integrated into the TSOC Strategy and the response through their commitments under the TSOC Charter and their individual Work Plans (discussed further below). Other options to maintain strong connections with agencies might include:

    a. Inviting other Chief Executives and other leaders with responsibility for the delivery of key priorities to Board meetings when discussing matters of common interest. This includes, for example, engaging with the national leadership group for the Resilience to Organised Crime in Communities (ROCC) programme.

    b. The Public Service Commissioner can also appoint independent advisors to the Board.[54] Independent advisors do not have any decision-making authority,[55] but there may be merit in appointment of an independent person or persons from, for example, private sector or the community to provide unique insights and to perform a risk and assurance type role. This could, for example, be done on a 12 month rotation.

136. We also see value in using the annual TNOC conference as a working forum of all leaders across the system to review progress against the TSOC Strategy and develop the collective response.

137. The chair of the Board must be designated from its members. This is usually the Chief Executive of the servicing department, which hosts any support functions for the board. The servicing department could be any of the members of the Board (other than Police, as Police cannot host an IEB).[56] This means that the costs can be kept down and the team can start responding to organised crime almost immediately.

138. The Chief Executive of the TSOC Business Unit (discussed below) would not have decision-making power and would not have a formal role on the Board, but they would be expected to attend Board meetings to provide information and advice to the Board, and to support when required to implement the Board's strategic decisions.

Setting a three-year trial period for the Board arrangements

139. The Government has signalled a preference for any new IEB arrangements to include a defined end date at the point of establishment. We think this is a good idea, as it avoids creating permanent governance structures that may outlive their intended purpose.

140. We recommend establishing the Board for an initial term of three years. This timeframe provides sufficient opportunity to set up the Board, embed its operating model, and

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[54] Public Service Act 2020, section 29(3).

[55] Public Service Act 2020, section 30.

[56] Police would not be able to host this function as it is a non-Public Service department. In any event, we would not recommend designating Police as chair to reduce the risk that the response would be seen as just another police led initiative, diluting accountability of all others involved in the system.

assess its effectiveness in practice. The Board should be working on a ‘put up or shut up’ model. We are confident that the Board will show its value within three years.

Priority Action: Establish an interdepartmental board to drive the system response

In order to overcome fragmented efforts and a reliance on voluntary coordination, we recommend establishing an Interdepartmental Executive Board as a formal mechanism to drive the system-wide response to transnational, serious and organised crime.

This board will be established for a period of three years.

The key functions will be to:

- Provide whole-of-system advice to the Minister for TSOC.
- Align strategy, policy, and resourcing across agencies.
- Drive continuous improvement and accountability.
- Coordinate with key partners including enforcement agencies, social sector, private sector, communities, and international partners.

Building on what works

141. There are already structures in place to lead the implementation of the TNOC Strategy 2020, in particular through the TNOC Governance Groups and the TNOC Fusion Centre hosted by Police. However, these structures, which are built around participation by 25 different individual agencies, lack direct accountability to each other. They are established under a principle of inclusiveness rather than a focused risk-response approach, resulting in an absence of collective accountability. This undermines the overall effectiveness in driving the response to organised crime.

142. We see our solution as an improvement on these structures, but we are not suggesting throwing the baby out with the bathwater. We expect there to be a place for the good aspects of these approaches, and the good people driving them, to be incorporated into the new system. This is critical both to maintain existing direction and to ensure effective coordination across the wide range of agencies that have some responsibility for the system response to organised crime.

A strong central function to support the board

[Our solution]

143. To deliver on the TSOC Strategy, the Board will need to be supported by a TSOC Business Unit led by a Chief Executive.[57]

[57] Recommendation E.1.2.

144. The Business Unit should be comprised of two teams, responsible for the following:

a. A System Development team, which will:

i Develop a **national risk assessment** to better define the problem of organised crime and understand the system risks, threats and vulnerabilities.

ii Work with agencies to prepare **work plans,** which will record how agencies are expected to contribute to the response.

iii Undertake work to **horizontally integrate** the work plans to ensure that agencies are doing all they can to assist other agencies and provide a whole-of-government response.

iv Drive work programmes for **legislative reform and policy development** where gaps are identified.

v Oversee development of a **data lake architecture** for the TSOC response to improve information sharing amongst agencies.

b. A System Accountability team, which will:

i Develop a **TSOC Maturity Model** to meaningfully measure and evaluate the impact and effectiveness of the response.

ii Undertake **gap analysis** review work to identify systems gaps and inefficiencies and develop a lessons learnt database to drive continuous improvement.

iii Monitor **delivery of work plans** by agencies and provide feedback to agencies on the individual and collective impact of the response.

iv Develop and implement **accountability mechanisms** to ensure that agencies are held to account where they do not deliver.

v Provide advice and support to the TSOC Board through **Board reports**.

Chief Executive

145. The Chief Executive would be responsible to the Board, which will lead the strategic direction. It is appropriate for this role to be a Chief Executive as the Board will likely delegate certain responsibilities to the Chief Executive, and they will carry substantial responsibility. They will need to engage with senior leaders across a range of sectors.

146. The Chief Executive's key responsibilities would include:

a. providing advice to the Minister and the Board on the development, implementation and results achieved through the national TSOC Strategy

b. working with the Board Chair to develop and manage the agenda for Board meetings

c. providing an independent voice to advocate for TSOC issues that cut across agency responsibilities.

d. leading cultural changes across the system and working to remove barriers to performance-such as entrenched silos and limitations around information sharing.

147. The Chief Executive will need to be a strong strategic thinker who can demonstrate an ability on behalf of the board to build support across the agencies, the private sector, iwi and communities.

System development

[Our solution]

148. The system development team will be the engine room for driving change across the organised crime system. It will ensure that the current siloed way in which agencies operate does not continue.

149. It will play a key role in working with agencies to prepare a national risk assessment that will leverage data, intelligence, and stakeholder insights to identify areas of risk and vulnerability, as well as emerging threats to inform strategic priorities and future investment.

150. The team will focus on ensuring that agency work plans (addressed below) are coherent, mutually beneficial and aligned to system-wide priorities, and to leverage the contributions by private sector and communities. This will ensure that work activities complement each other rather than duplicate effort or work at cross-purposes.

151. The team may also identify opportunities where the Board recommends cross-agency taskforces to respond to particular system vulnerabilities.[58] While Business Unit staff would not be responsible for leading operational aspects of such taskforces (which would best sit with the lead enforcement agency), they could add value by facilitating the cross-agency response, as part of a continuous improvement framework.

Priority Action: Strengthening operational collaboration through taskforce models

There is a clear need for a step change in how agencies collaborate operationally in New Zealand. We have heard of instances where coordination has been inconsistent or reactive, such as one agency ending its investigation into a suspect just as another was closing in on a breakthrough.

We see opportunities to strengthen strategic leadership and coordination, especially where there is a less mature operational model in place.

Taskforce models offer a way to concentrate effort, resources, and expertise on priority issues. In overseas jurisdictions, taskforces are used to align multiple policing agencies with overlapping mandates. While New Zealand does not face the same jurisdictional overlaps, there remains a

[58] A taskforce is a temporary, goal-oriented group formed to address a specific issue, often requiring cross-agency or cross-sector collaboration. Taskforce models vary depending on their purpose, authority, and structure. These would be established at the direction of the Board and at the request of agencies.

critical need to bring together agencies with complementary functions to address complex, cross-cutting system vulnerabilities.

The Board and its support function will not lead operational activities, but it is critical there is alignment between the strategic system-level objectives and delivery of operational activities. Opportunities to add value may include, for example, the Board identifying emerging issues that require a joined-up system response, and the business unit working to facilitate the establishment of a taskforce.

152. The team will be tasked with understanding where the system is failing - whether due to gaps in the law, policy misalignment, or operational fragmentation - and proposing targeted reforms to close those gaps.[59] This may include preparing insight reports into key issues, such as those identified through analysis of the results of taskforces.

153. The system development team can also drive complex proposals, such as the creation of a data lake and other system wide improvements to information sharing. These types of initiatives, which necessarily work across the whole sector, do not have a natural champion and are at risk of being put in the "too hard basket" by each individual agency involved in the response.

Priority Action: Leveraging shared data to better target organised crime [Recommendation D.2.1.]

Organised crime groups are increasingly adept at using technology to conceal their activities and exploit system gaps. To counter this, New Zealand must strengthen its collective intelligence capability - starting with a substantial shift in data standards and culture under a joint national information sharing framework.[60]

A key enabler is the creation of a shared data lake: a centralised, secure repository of data relevant to detecting and disrupting organised crime. This would allow agencies to access, share, and act on information more effectively, improving traceability, transparency, and usability across the system. To maximise impact, the data lake should be paired with a standardised case management system that enhances investigative coordination and supports cross-agency operations.

This approach does not compromise privacy safeguards. Instead, it creates the space to prevent daily harms caused by organised crime in ways that are safe, ethical, and proportionate - balancing the protection of rights with the need for system-wide responsiveness.

154. We see value in managing a regular programme of law change to keep up with the evolving threat of organised crime. This could be done by means of regular omnibus bills, which can be used to amend more than one Act. Addressing regulatory gaps through omnibus bills would ensure horizontal alignment of legislative reform across the whole TSOC system.

155. This includes, for example, implementing the legislative changes to attack the profits of organised crime such as the new money laundering offence outlined below.

[59] This will support delivery of a range of the advisory group's recommendations.

[60] Recommendation D.1.1. outlines the proposed Information Sharing Framework.

Priority Action: Broaden the legal definition of money laundering offences [Recommendation A.4.1]

Organised crime is all about money and therefore money is organised crimes biggest vulnerability. Organised crime makes a lot of money. Money which is taken from New Zealanders. In addition to targeting the organised crime, we need to chase the money. Money laundering offences should be redesigned to address a much wider range of behaviours associated with money derived from organised crime. It is well established that it is difficult to prosecute money laundering offences.[61] For a prosecution to be successful, it must be proven that the person who laundered the property knew that they were dealing with the proceeds of crime or was reckless that they were dealing with proceeds of crime. It can be challenging to prove a person was reckless by consciously disregarding a substantial and unjustifiable risk.

The difficulty in proving knowledge or recklessness in money laundering cases means it is usually treated as a secondary offence that is often not pursued. This reduces our capacity to hold those people who are central to the business of organised crime to account. This includes professional facilitators such as accountants, real estate agents, immigration consultants and lawyers, as well family and associates of organised criminals.

These groups are key enablers of a system of money laundering that protects the profits of organised crime and enables it to be highly profitable.

Recommended action

We recommend adding a strict liability offence where a person deals with property, that is established to be proceeds of crime, unless **they can prove they reasonably believed the property was not the proceeds of crime**. The penalty for this offence would be lower than if there was direct knowledge or recklessness.

This would place the onus on the defendant to show they took reasonable steps to determine whether the transaction involved proceeds of crime.

System accountability

[Our solution]

156. The system accountability team will complement the system development team by working to ensure that each part of the system is accountable for its role. It will be designed to ensure that the entire organised crime response system is effective, transparent, and continuously improving. Transparency of the system will help drive collaboration, reduce duplication, and improve public confidence.

157. The system accountability team will lead the development and implementation of system performance frameworks, such as the TSOC Maturity Model, to monitor and assess delivery of the TSOC Strategy and analyse agency contributions to preventing organised crime. This includes tracking delivery of work plans, evaluating impact, and identifying areas for support or intervention.

158. It will provide regular, structured feedback to agencies on how their activities contribute to system-wide outcomes. This includes performance against strategic priorities,

[61] Under section 243 of the Crimes Act 1961.

effectiveness of interventions, and alignment with the TSOC Strategy. The goal is to foster learning, transparency, and continuous improvement.

Composition of the Business Unit

159. Our view is that the Business Unit should initially be comprised of approximately 30 staff, spread across the two teams outlined. This Business Unit is intentionally small. It must be efficient to be effective.

160. The skillsets necessary for these teams would include senior leadership, data specialists, research and evaluation experts, policy advisors, legal expertise, project managers and governance support.

Delivering on the strategy

[Our solution]

161. The TSOC Minister, the TSOC Executive Board (supported by the Business Unit) and the agencies with TSOC responsibilities and duties will all be responsible for delivering on the Strategy.

162. Adopting a refreshed TSOC Strategy is the first step in driving system improvement – provided it sets a clear vision and line of sight through all parts of the system.

163. The TSOC Strategy is a long-term plan, whereas organised crime is dynamic, adaptive, and increasingly sophisticated. To keep pace, New Zealand's response must be agile. It must be able to learn, adjust, and evolve in real time. A regularly reviewed flexible action plan and a continuous cycle of improvement ensures that the system doesn't just react to threats but actively anticipates them, adapts and prevents them. It also supports innovation through new technologies, legislative tools and partnership models.

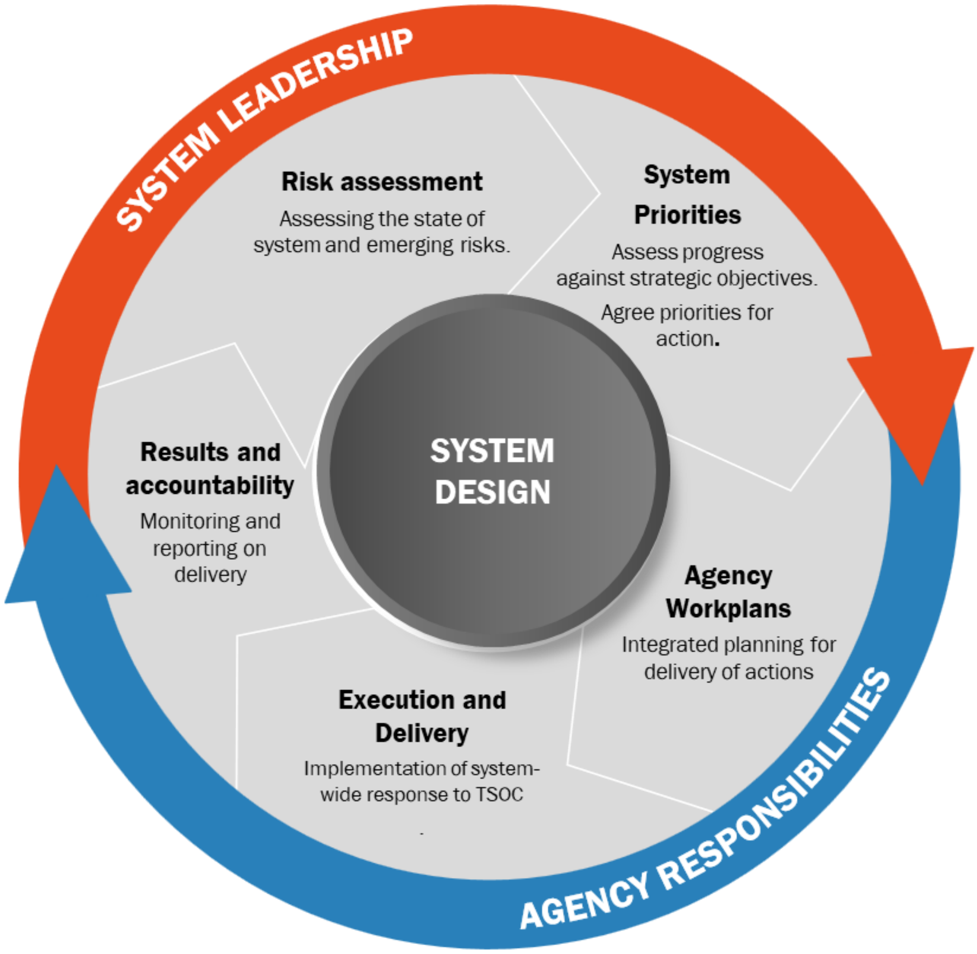
164. There are four key elements that must be brought to bear to drive this cycle:

    a. **Risk Assessment:** a mature approach to understanding system performance and a process to anticipate emerging threats and risks at a system level

    b. **System Priorities:** annual Action Plans from the Board that identify and prioritise collective action across the system

    c. **Agency Workplans:** which set out planned actions to support the delivery of the priorities set by the Board, including for example, tasking and coordination of responsibilities for joint operations and initiatives

    d. **Results and accountability** for delivery of system priorities and work plans.



Assessing risks and understanding the state of the system

[Our solution]

165. Both the Board and its partners across the system must understand the state of the system in order to inform decisions on system priorities. There are two elements to this:

   a. an informed assessment of the overall level of the threats posed by organised crime and the vulnerabilities within New Zealand's systems

   b. a strong understanding of the capacity and capability of agencies to effectively contribute to the system response.

166. A national risk assessment will support a system level understanding of the threats posed by organised crime and the vulnerabilities within New Zealand's systems.[62] It is a

[62] The Financial Intelligence Unit of the Police prepares a National Risk Assessment framework to inform money laundering, terrorism financing, and proliferation financing risks facing New Zealand. The FIU is required by the AML/CFT Act to produce this risk assessment. Cascading from this risk assessment Sector Supervisors (the Reserve Bank, DIA and Financial Markets Authority) must develop specific sectorial assessments from which all reporting entities they supervise under the AML/CFT Act must then develop their own risk assessments. This provides a common evidence base to enable all partners in the AML/CFT system to proactively identify and respond to risk.

critical input into the refreshed TSOC Strategy, helping to ensure that strategic decisions are informed by a comprehensive and evidence-based understanding of risk.

167. Performance reporting challenges in the organised crime response are common to complex systems. To ensure system-wide accountability, agencies need mechanisms to measure and report performance. This should be driven by a continuous improvement cycle - starting with an agreed strategy and priority actions, clear ownership for delivery, and feedback to inform future decisions.[63]

168. It is critical to monitor performance of the response. To do this, we recommend building on the existing TSOC Maturity Model.[64] This should be prioritised and refined over time to provide deeper insights into how we are doing.

Priority Action: Strengthening accountability through a shared understanding of system performance [Recommendations E.2.2. and 2.4]

Knowing how well we are doing is a problem. Performance reporting challenges in the organised crime response are common to complex systems, where outcomes are influenced by many actors and actions. To ensure system-wide accountability, agencies need mechanisms to measure and report performance across the system. This should be driven by a continuous improvement cycle: starting with an agreed strategy and priority actions, clear ownership for delivery, and feedback to inform future decisions.

We recommend building on the existing TSOC Maturity Model. This should be prioritised and refined over time to provide deeper insights into system effectiveness. As it matures, agencies will be better positioned to address data gaps and present a whole of system view of performance.

There is value in engaging expertise on public sector performance monitoring. We recommend that the Office of the Auditor-General include the organised crime response in its 2026/27 review programme. This would complement its previous work on other complex, long-term issues such as family violence, child poverty, and youth justice.

Setting system priorities

[Our solution]

169. The future TSOC Strategy must take a long-term view of responding to organised crime, whilst remaining grounded in short-term planning and delivery cycles. These cycles should be based around annual Action Plans set by the Board that identify and drive priorities.

170. By aligning agency workplans with the priorities in the Board's Action Plans, the cycle reinforces a shared sense of purpose. It helps agencies see their role in the bigger picture and fosters collaboration across silos. This is especially important in a system where responsibilities are distributed across enforcement, regulatory, and social sectors.

171. Ongoing feedback loops help build a rich, system-wide intelligence picture. This includes insights from operational data, community engagement, and international

[63] Recommendation E.2.4. suggests engaging with the Office of the Auditor-General to get its perspective on measuring the performance of complex systems.

[64] Recommendation E.2.1. – E.2.2

partners. Over time, this intelligence informs sharper prioritisation, better resource allocation, and more targeted interventions. It results in a more mature system.

Agency Work Plans

[Our solution]

172. Agency work plans are the key document that each agency will produce each year. They will set out what actions are within the agency's capability and what the agency will prioritise to play its part. This is critical as a key part of accountability is enablement – agencies must know what they are expected to do, and be given the means to do it.

173. Work plans will contain:

  a. agency-specific actions aligned to TSOC priorities

  b. performance indicators to track delivery and impact

  c. commitments to collaboration, including participation in joint taskforces or data-sharing initiatives

  d. risk assessments to identify vulnerabilities and inform prioritisation.

174. Agencies know best what their own capabilities are. But they don't necessarily know how they can utilise those capabilities to contribute to the wider system response. The TSOC Business Unit will therefore have a key role to play in working with agencies to develop this understanding and ensure horizontal alignment of work plans across all agencies involved in the response.

175. The work plans will serve as a formal commitment to action, enabling accountability and performance monitoring across the system.

Accountability for delivery

[Our solution]

176. One of the key responsibilities of the TSOC Minister will be to hold agencies accountable for performance.

177. Agencies will be expected to align their activities with priorities set out in the strategy and demonstrate accountability. We would expect each agency to appoint a champion who is responsible for driving day-to-day delivery.

178. There is scope to improve how agency Chief Executives are held accountable for their contributions to system issues, such as organised crime. For example, the Public Service Act is currently being amended to explicitly require the Public Service Commission to consult with appropriate ministers when setting performance expectations and reviewing their performance.[65] This will enable the responsible Minister to have greater influence and oversight of a Chief Executive's performance in relation to organised crime, including for example building in key performance indicators relating to organised crime.

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[65] Public Service Amendment Bill, cl 46(1).

179. It also requires development of an environment in which agencies are supported and enabled to meet the expectations that will be placed on them. Without alignment of expectations and enablement, the system as a whole, risks becoming punitive rather than constructive and collaborative, undermining trust and performance.

Case Study: The EMPACT Cycle – A European model for coordinated action against organised crime

Europe has been similarly plagued by the rapid growth of organised crime. The European Union has also been working to develop a more coordinated response. The European Multidisciplinary Platform Against Criminal Threats (EMPACT) is the European Union's flagship framework for tackling serious and organised crime through a multi-agency and multi-national approach.

EMPACT operates on a four-year policy cycle, with clear phases for priority setting, planning, implementation, and evaluation. It brings together law enforcement, customs, judicial authorities, EU institutions, non-EU countries and private sector partners to target the most pressing criminal threats.

The EU Serious and Organised Crime Threat Assessment (EU-SOCTA) provides a comprehensive, forward-looking analysis of the evolving threats posed by serious and organised crime (SOC) in the European Union, and provides recommendation on priorities for action.[66]

EMPACT's success lies in its systemic design: it integrates strategic planning with operational delivery, supported by robust governance, shared intelligence platforms, and continuous performance evaluation. It also prioritises corruption and insider threats, recognising their role in enabling organised crime and undermining institutional integrity.

For New Zealand, EMPACT offers a practical example of how to:

- align national strategy with operational priorities
- embed accountability across agencies
- leverage international partnerships
- coordinate enforcement, regulatory, and social sector responses.[67]

Key partners

[Our solution]

Enforcement and intelligence agencies

180. Enforcement and intelligence agencies play a key role in New Zealand's response to organised crime. Each contributes to the system based on its mandate and role

[66] Europol (2025) European Union Serious and Organised Crime Threat Assessment - The changing DNA of serious and organised crime.

[67] Europol (n.d.) EU Policy Cycle - EMPACT.

through enforcement, regulatory oversight, intelligence gathering and community engagement. For example:

a. Police and Customs are core enforcement agencies that are responsible for prevention, detection, investigation, and disruption of organised crime.

b. Agencies such as MBIE, DIA, Inland Revenue, Reserve Bank and Financial Markets Authority are regulatory agencies with oversight of high-risk sectors vulnerable to exploitation (including AML/CFT, immigration, financial services, business registration and market integrity).

c. Agencies such as NZ Intelligence Community (NZIC), MFAT and Corrections contribute to intelligence gathering, threat detection and transnational disruption.

181. We are not proposing any change to the core functions of any agency. The goal is not to restructure agencies, but to improve how they work together. Under our solution, agencies will retain their existing mandates but operate in a more integrated, accountable, and strategically aligned way. The goal is to drive higher effectiveness and efficiency in the system response to organised crime This includes reducing duplication, improving coordination, and ensuring that agency actions contribute to shared system outcomes.[68]

182. Agencies will be expected to tailor their level of involvement based on the risks they face or manage, and what they can contribute to strengthening the system. For example, agencies operating in high-risk sectors (e.g. immigration and finance) may have more intensive responsibilities.

Priority Action: Adopting a coordinated and risk- based approach to managing corruption and insider threat risks [Recommendations B.1.1, B.2.1-3.]

Organised crime groups are using money and intimidation to get the support of trusted insiders to evade detection. The most obvious current example is the ongoing problem of corrupt baggage handlers and port workers. These vulnerabilities are due to the fragmented and overlapping controls over security at our ports and airports – which need to be streamlined.

We have recommended developing a national anti-corruption strategy to strengthen and enhance oversight, promote inter-agency collaboration, and establish clearer lines of accountability. This could build on current work by Customs and the Ministry of Transport on strengthening security at New Zealand's port and airports, and the joint Anti-Corruption Taskforce led by the Serious Fraud Office which is working to develop a system-wide understanding of corruption and fraud risks within the public service, but it would need to take account of the wider threat posed by organised crime.[69]

We have also recommend establishing a central authority to manage system-wide corruption and insider threat risks. This function is needed to ensure early detection, coordinated response and improved visibility across government and high-risk sectors. We have not taken a view of where this function should be located, but it should be placed to operate across agency boundaries to support both regulatory and enforcement functions.

[68] This includes, for example, improving recommendation D.3.1.

[69] Serious Fraud Office (2025) Anti-Corruption Taskforce Pilot.

Social Sector Agencies

[Our solution]

183. We discussed in our June report the importance of including all New Zealanders in the response, including taking the customers away from organised crime and hardening our communities against it.[70]

184. Social sector agencies are vital to New Zealand's response to because they operate at the critical interface between government and communities. Agencies such as the Social Investment Agency, the Ministry of Social Development and community-based organisations play a central role in reducing the demand for illicit goods and services, building resilience, and addressing the social harms caused by organised crime.

185. Their work complements enforcement efforts by tackling the root causes of vulnerability, such as educational failure, morbidity, addiction, and social exclusion, which organised crime groups exploit. A prevention-led approach is essential, and social sector agencies are uniquely positioned to deliver locally tailored interventions, support community-led initiatives, and provide wraparound services that help individuals and families escape cycles of harm.[71]

186. Regional Public Service Commissioners are key enablers of locally led, nationally supported delivery, ensuring that national strategy is implemented in ways that reflect local needs and strengths.

187. Initiatives like the ROCC programme (Resilience to Organised Crime in Communities) exemplify how enforcement and social support can be integrated to reduce harm and build protective factors. However, broader engagement is needed across health, education, housing, and employment services to address the root causes and impacts of organised crime. The ROCC programme is a flagship initiative that combines enforcement with social support. It has seen meaningful results, in particular because it engages with current programmes and leadership groups in the regions where it is implemented. We recommend continuing to fund this programme.

188. Like the enforcement and intelligence agencies, we see value in each of the social sector agencies developing work plans to identify how they can and will use their respective functions to contribute to the fight against organised crime. The TSOC Business Unit will assist by working with agencies and horizontally integrating the work plans to ensure that they reflect a cohesive, whole-of-system approach.

Priority Action: A long-term commitment to strengthening resilience to organised crime in communities [Recommendation C.4.1.]

Community involvement in responding to organised crime should be anchored in a national strategy, while allowing for locally led approaches that reflect the needs and strengths of different communities.

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[70] Ministerial Advisory Group on Transnational Serious and Organised Crime (2025) June Report: One Team Against Organised Crime.

[71] Recommendation C.2.1. focuses on reducing the stigma around illicit drug use and investing in effective addiction treatment programmes.

We recommend the continued support and expansion of the Resilience to Organised Crime in Communities (ROCC) programme, which plays a critical role in building local capability and resilience. ROCC sits at the intersection of organised crime prevention and the broader social sector, enabling a prevention-led approach that reduces the demand for illicit goods and services - the “customers” of organised crime.

This approach is more fiscally sustainable than putting more people into the justice system and aligns with the strategic shift toward early intervention and harm reduction.

In the past, ROCC has been funded through a mix of short-term sources. To deliver lasting impact, we recommend a long-term funding commitment, that is aligned with the Social Investment Approach. This will foster a coordinated, outcomes-focused approach that supports local needs and aspirations as well as the national strategic objectives for responding to organised crime.

Private sector

[Our solution]

189. The private sector is a critical partner in New Zealand’s response to organised crime because it operates at the frontline of economic activity, controls key infrastructure, and possesses the data, intelligence, and operational reach that government alone cannot replicate. This includes banks detecting suspicious financial flows, logistics companies monitoring supply chains, and telecommunications providers identifying cyber threats. The private sector provides the visibility and early-warning systems that can help to disrupt criminal networks.

190. But we have consistently heard from the private sector that they do not feel sufficiently engaged in the system wide response to organised crime. From our conversations with private sector representatives, they want to help. They just need to be brought into the tent.

191. Importantly, the private sector is not only a partner but also a frequent victim of organised crime, including fraud, cyberattacks, money laundering, theft and infiltration of legitimate business channels. These attacks erode trust, destabilise markets, and create real harms for businesses, employees, and communities.

192. The role of the private sector extends beyond regulatory compliance: by sharing intelligence, strengthening resilience, and closing vulnerabilities across industries and borders, the private sector can help to safeguard customers and communities while also protecting its own operations. In doing so, it serves as a first line of defence and an indispensable partner in building a safer, more resilient New Zealand.

193. Organised crime exploits legitimate business systems to generate profit, conceal illicit activity, and expand influence. This includes using financial platforms, supply chains, and service providers to launder money, traffic goods, and facilitate fraud. As such, businesses-particularly those operating in high-risk industries like finance, construction, real estate, and digital services-have both the exposure and the capability to detect and prevent criminal activity.[72]

[72] Recommendation C.3.1. focuses on requiring high risk industries, such as construction and horticulture, to provide assurance that they are not facilitating migrant exploitation within their labour forces.

194. We see opportunities for government and the private sector to work much more closely together by co-designing risk frameworks, sharing intelligence, and investing in compliance systems. In doing so, the private sector can help harden the environment against criminal exploitation.[73] We acknowledge there are some challenges in sharing information between public and private sectors whilst still respecting individual privacy rights, but it can be done. The National Cyber Security Centre is one such example.[74]

Priority Action: Prohibit cash wages and payments for professional services [Recommendation A.5.1-2]

Cash remains a key enabler of organised crime, allowing illicit funds to be moved, hidden, and spent anonymously — bypassing financial system safeguards and accountability mechanisms.

While most New Zealanders have embraced cashless payments for convenience, there has been limited effort to restrict the use of cash in ways that facilitate criminal activity. This includes the payment of wages in cash in industries such as construction, hospitality, and agriculture, which enables tax evasion, worker exploitation (particularly of migrants and vulnerable groups), and the laundering of criminal proceeds.

Many jurisdictions have introduced controls requiring wages to be paid through verifiable electronic methods to reduce misconduct and improve transparency and tax compliance.

New Zealand should also consider prohibiting cash payments for professional services in high-risk sectors such as law, accounting, immigration advice, real estate, and precious metals/jewellery. These professions are frequently exploited as gateways for money laundering, where criminals use legitimate services to disguise illicit funds through trusts, property transactions, and corporate structures.

While eliminating cash would be ideal from a crime prevention perspective, we acknowledge that many New Zealanders still rely on cash for daily transactions. Therefore, targeted restrictions in high-risk areas offer a balanced and pragmatic approach.

Recommended actions

- Require wages to be paid via traceable methods in industries such as construction, hospitality, and agriculture.
- Prohibit cash payments for services provided by lawyers, accountants, immigration advisers, real estate agents and precious metal dealers and jewellers.

[73] Recommendation D.5.1 focuses on opportunities to mobilise the private sector in the response to organised crime.

[74] The National Cyber Security Centre provides cyber security incident responses, and a framework to set how we think, talk about and organise cyber security efforts.

Iwi and communities

[Our solution]

195. Strong partnerships between government, iwi and communities are essential. Local knowledge, trust and action are vital to building resilience and reducing harm. These partnerships must be supported by a national strategy with flexible, locally tailored implementation. [75]

Removing the customers of organised crime

196. Organised crime causes real harm in communities across New Zealand-through drug use, violence, exploitation and corruption. But communities are also central to the solution. Reducing demand is critical to being tough on organised crime. That means supporting community-led prevention, education and wraparound support to address the root causes of vulnerability.[76]

197. The ROCC programme demonstrates what's possible when enforcement is combined with social and economic support. ROCC helps individuals and whānau escape cycles of harm by connecting them to treatment, employment and reintegration services. Expanding this approach through targeted investment and alignment with the Social Investment Approach can make a lasting difference. However, broader engagement is needed across health, education, housing and employment systems to prevent re-entry into criminal supply chains.[77]

Empowering communities through awareness and education

198. Public awareness is essential to reducing the harm caused by organised crime. Many people in New Zealand do not realise how these crimes affect their lives—whether through drug use, fraud, migrant exploitation or violence. These harms are often hidden, misunderstood or normalised, and victims may be unfairly blamed or ignored.

199. Agencies and the TSOC Board should lead coordinated education efforts that are clear, practical and tailored to local needs. Communities need information that helps them understand what is happening, why it is happening, and how they can take action. This includes recognising signs of organised crime, knowing how to report concerns, and understanding the drivers of harm.

200. Sharing data and insights with communities builds trust and helps local leaders respond to emerging risks. Over time, a public-facing data platform could support this work. In the meantime, agencies should prioritise sharing useful reports and assessments to support informed, community-led responses. [78]

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[75] Recommendations C.1.1. – C.1.3 focus on integrating community into the future TSOC Strategy.

[76] Recommendation C.2.1. proposes considering the rollout of alternative treatment models and criminal justice pathways for users, such as Alcohol and Other Drug Treatment Courts.

[77] Recommendation C.4.1. proposes a long-term commitment strengthening resilience to organised crime in communities.

[78] Recommendation C.5.1 highlights the need to take action to shift public attitudes.

International partners

[Our solution]

201. Strong relationships with international partners are vital to New Zealand's response to organised crime because transnational organised criminal networks operate across borders, exploiting gaps in enforcement, regulation and intelligence.

202. While leadership should remain with agencies like MFAT, Police, Customs and the intelligence community, the TSOC Minister and Board will provide strategic direction to ensure international engagement aligns with New Zealand's organised crime strategy. Their role includes setting priorities, coordinating efforts and ensuring partnerships deliver tangible results. Our solution will deliver accountability for that leadership.

New Zealand is facing an unprecedented, organised crime challenge that's fuelling violence, causing harm, and affecting every part of society. Having now seen the impacts on both sides of the Tasman, I know how urgent it is that we stay ahead of organised crime.

Mike Bush, former Commissioner of New Zealand Police and current Chief Commissioner of Victoria Police

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203. The Pacific region is a particular focus. It is increasingly used as a transhipment point for illicit goods destined for New Zealand, and organised crime is causing significant harm within Pacific communities, especially with increasing numbers of deportees from New Zealand, Australia and the United States.

204. Effective partnerships must be based on mutual benefit, shared priorities and measurable outcomes. New Zealand agencies should continue to work with Pacific partners to co-design initiatives, monitor impact and adapt approaches to ensure that resources are used collaboratively and deliver a clear return on investment.[79]

205. New Zealand has both a responsibility and a strategic interest in supporting regional resilience through targeted support for law enforcement, border security, financial intelligence and governance reforms.

206. One of the key actions we would hope to see in the MFAT workplan is the preparation of a Pacific Response Plan to better understand how New Zealand's approach will align with activity being carried out in the Pacific and how New Zealand might be able to support our Pacific neighbours. This could include, for example, making a specialist team of investigators and prosecutors available to respond to acute issues in the Pacific.[80]

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[79] Recommendations B.5.1, D.6.1, E.2.5 focus on building transnational cooperation and Pacific engagement.

[80] Recommendation B.5.1.

CONCLUSION AND NEXT STEPS

207. The advisory group was asked to provide recommendations on tackling organised crime. We have used our combined expertise and made evidence based recommendations to do this.

208. To counter the threat of organised crime, we need bold leadership and decisive action. We propose a bold solution to strengthen New Zealand's system-wide response to organised crime.

209. This solution requires:

   a. **a dedicated Minister** to lead the strategy, drive cross-agency accountability, and champion system reform at a Cabinet level

   b. a **refreshed TSOC Strategy** and action plan, owned by the Minister that aligns enforcement, regulatory, and social sector efforts around shared priorities

   c. the creation of **an interdepartmental executive board** with the responsibility to lead a coordinated, accountable, and prevention-led national response that is based around:

      i a strong understanding of risk

      ii agreed system priorities for action

      iii agency work plans

      iv accountability for delivery

   d. a central function, in the form of a **TSOC Business Unit** led by a Chief Executive**,** to support the Board with system development and accountability functions

   e. **integrated partnerships** with enforcement agencies, social sector agencies, the private sector, communities, and international allies

   f. **legislative and policy reform** to close system gaps, strengthen financial disruption tools, and improve information sharing

   g. **sustainable funding**, including reinvestment of proceeds of crime and a joint approach to new investment proposals.

210. As we have said, if Cabinet is unable to provide support for the full structure and system that we deliver in this report, we would advise against attempting to implement a smaller, scaled back option. It will not achieve the results we need.

211. We have made our recommendations. The steps to implement those recommendations now have to be taken by others.

212. The time to do so is now.

APPENDICES

Appendix One: Stakeholder meetings

The advisory group has had over 150 meetings with a wide range of organisations and individuals with an interest in responding to organised crime.

Central Government
Border Executive Board
Centre for Family Violence and Sexual Violence Prevention
Crown Law Office
Department of Corrections
Department of Internal Affairs
Department of the Prime Minister and Cabinet
Inland Revenue Department
Land Information New Zealand
Ministry of Business, Innovation and Employment
Ministry of Foreign Affairs and Trade
Ministry of Justice
New Zealand Customs Service
New Zealand Intelligence Community
New Zealand Police
New Zealand Transnational Crime Unit
Office of the Auditor General
Office of the Privacy Commissioner
Public Service Commission
Serious Fraud Office
Social Investment Agency
TNOC Governance Leadership and Steering Groups
Ministers
Hon Judith Collins KC, Attorney General, Minister of Defence, Minister for the Public Service and, Minister Responsible for the GCSB and NZSIS
Hon Paul Goldsmith, Minister of Justice
Hon Mark Mitchell, Minister of Police and Minister of Corrections
Hon Nicole McKee, Minister for Courts and Associate Minister of Justice (including firearms and anti-money laundering)
Rt Hon Winston Peters, Minister of Foreign Affairs
Hon Shane Jones, Minister for Regional Development
Hon Casey Costello, Minister of Customs, Associate Minister of Immigration and Associate Minister of Police
Business
Auckland Airport

	Auckland Business Chamber
	Financial Crime Prevention Network
	Bank of New Zealand
	Crypto-ATM provider
	Crowded Places Security Advisory Group
	Fonterra
	Global Risk Consulting
	GetVerified
	Kiwibank
	Kowhai AI
	Microsoft
	NZ Post
	Port of Tauranga
	Retail NZ
	Static
	Telecommunications providers
	Trademe
	Zespri
Social Sector	
	Professor Alexander Gillespie, Member of Minister's Arms Advisory Group
	Expert in migrant compliance issues
	Ethnic Focus Forum (Police)
	Gang members
	Iwi Leaders Forum (Police)
	Professor Chris Wilkins, policy and public health, Massey University
	Modern Slavery and Trafficking Expert Practitioners (M-STEP) Group
	NZ Drug Foundation
	Odyssey House (Christchurch)
	Dr Rose Crossin, expert in measuring drug harms, Otago University
	Pacific Focus Forum (Police)
	Salvation Army
	Porirua ROCC – including Te Runanga O Toa Rangatira (Te Wāhi Tiaki Tātou)
	Wesley Community Action
Other	
	NZ Police Association
	Former staff from Police and other contacts with experience in responding to organised crime
Australia	
	Australian Border Force
	Australian Federal Police

	Australian Tax Office
	Department of Foreign Affairs and Trade
United Kingdom	
	National Crime Agency
	National Police Chiefs' Council
	UK Border Force
	HM Revenue and Customs
Tonga	
	Ministerial delegation with Hon Casey Costello, 10 - 11 July 2025
Fiji	
	Ministerial delegation with Hon Casey Costello, 30 July – 1 August 2025

Appendix Two: Acknowledgements

1. The Ministerial Advisory Group expresses its deep gratitude to Alastair Farr and Dennis Dow, who were instrumental in writing the reports and bringing the group's ideas to life. They did incredible job pulling together a variety of views on complex topics, and expressing those views in clear language for the benefit of the public.

2. We also thank Shona Dowden for her administrative and logistics support – her work in single-handedly arranging the logistics for a committee who engaged in over 150 meetings in the space of six months was incredible and greatly appreciated.

3. The Ministerial Advisory Group gratefully acknowledges the contributions of the many individuals, organisations and agencies who engaged with us throughout this review.

4. We are especially grateful to the Minister of Customs and Associate Minister of Police, Hon Casey Costello, for her leadership. We also thank the other ministers who met with us as part of the review, including Rt Hon Winston Peters, Hon Judith Collins KC, Hon Mark Mitchell, Hon Paul Goldsmith, Hon Nicole McKee, and Hon Shane Jones.

5. We thank the wide range of central government agencies who participated in interviews, workshops and consultations, including Police, Customs, MBIE, DIA, IRD, MSD, Regional Public Service Commissioners, MOJ, MFAT, Crown Law, DPMC, NZIC, the Privacy Commissioner, the Public Service Commission, the Serious Fraud Office and the Social Investment Agency. We also acknowledge the support of the TNOC leadership and steering groups and secretariat, the Centre for the Elimination of Family Violence and Sexual Violence and the Border Executive Board.

6. We are grateful to the private sector business and industry stakeholders who shared their experiences and expertise, including representatives from Auckland Airport, BNZ, Kiwibank, Microsoft, Trade Me, Zespri, Fonterra and the Financial Crime Prevention Network. We also acknowledge the contributions of the Auckland Business Chamber, Retail NZ, telecommunications providers, ports and other private sector partners.

7. We acknowledge the support and engagement of our international partners, including the Australian Border Force, Australian Federal Police, Australian Tax Office, DFAT and UK agencies such as the National Crime Agency, National Police Chiefs' Council (NPCC) and UK Border Force. We also thank the officials we met in Fiji and Tonga for their perspectives on the challenges facing the Pacific region.

8. Finally, we thank the many community, iwi and social sector organisations who shared their lived experience and perspectives. This includes, for example, our visit the Resilience to Organised Crime (ROCC) initiative in Porirua with Te Rūnanga o Toa Rangatira, Kapiti-Mana area police and the Greater Wellington Regional Public Service, as well as Police Focus Forums with iwi leaders, and ethnic and pacific communities, the NZ Drug Foundation and others. We thank the academic experts from the University of Waikato, Massey University and the University of Otago, and the Chief Science Advisor for the Justice Sector, Professor Ian Lambie, for their insights into the social, legal and economic dimensions of organised crime.

9. These collective contributions have shaped the findings and recommendations of this report. We thank all who contributed for their commitment to strengthening New Zealand's response to organised crime.

Appendix Three: Advisory Group Recommendations

A. Money	Update
Strengthening the asset recovery framework	
1.1. **Introduce automatic cash confiscation powers:** Enable authorities to confiscate cash found with illicit items upon conviction, without needing to prove the cash was derived from crime. This would streamline enforcement under the Criminal Proceeds (Recovery) Act (CPRA).	
1.2. **Mandate border cash declaration and seizure:** Require declaration of cash over NZ$1,000 at borders, with automatic forfeiture if undeclared and suspected to be linked to criminal activity.	
1.3. **Enable non-conviction-based confiscation of crime instruments:** Allow confiscation of property (e.g. vehicles) used to facilitate organised crime, even if no conviction is secured.	
1.4. **Introduce value-based confiscation orders:** Allow courts to confiscate assets equivalent to the value of illicit property found in possession, assuming involvement in profit-generating crime.	
1.5. **Lower evidential thresholds for forfeiture in serious offences:** Shift the burden of proof to offenders to demonstrate property legitimacy in cases involving corruption, drug trafficking, and similar crimes.	
Improving responsiveness to stop suspicious money transfers	
2.1. **Grant Police urgent access to financial and telecom data:** Provide enforcement agencies with timely access to critical information to prevent asset concealment or offshore transfers.	
2.2. **Establish rapid transaction freeze powers:** Allow authorities to freeze suspicious financial transactions immediately, without requiring a court order.	
2.3. **Introduce real-time bank account monitoring:** Enable ongoing surveillance of suspect accounts to detect and respond to financial crime as it occurs.	
Stronger investigative powers	
3.1. **Create restraint powers targeting deportees**: Allow Police to restrain property of deportees suspected of bringing illicit wealth into New Zealand, without requiring a domestic criminal investigation.	
3.2. **Implement criminal monitoring orders:** Permit financial audits of convicted organised crime offenders for up to 7 years post-conviction to detect untaxed income or criminal proceeds.	

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3.3.	**Introduce organised crime property orders:** Enable Police to restrain properties used by multiple convicted offenders and require proof of legitimate acquisition, or face forfeiture.	
Expanding the definition of money laundering offending		
4.1.	**Broaden the legal definition of money laundering:** Criminalise dealing with property known or suspected to be proceeds of crime, including reckless or negligent handling, with penalties scaled by level of intent.	
Make cash a less attractive option		
5.1.	**Mandate electronic wage payments in high-risk sectors:** Require wages to be paid via traceable methods in industries like construction, hospitality, and agriculture.	
5.2.	**Prohibit cash payments for professional services:** Ban cash payments to lawyers, accountants, immigration advisers, and real estate agents to reduce laundering risks.	
5.3.	**Restrict cash use in remittance services:** Limit remitters from accepting cash above a low threshold for international transfers.	A limit of $5,000 has been agreed in principle as part of the overhaul of AMF/CFT regime
5.4.	**Lower AML-CFT reporting thresholds for high-value goods:** Reduce the threshold from NZ$10,000 to NZ$5,000 to better detect laundering through luxury purchases.	
5.5.	**Ban cash purchases of cryptocurrency:** Prohibit virtual currency ATMs until regulatory oversight is in place to close a major laundering loophole.	Agreed in principle as part of the overhaul of AMF/CFT regime
B. Corruption		
Setting a national anti-corruption strategy		
1.1.	We recommend developing a National Anti-Corruption Strategy to: • align New Zealand's domestic responses with international best practices • provide strategic direction • strengthen governance and system oversight • encourage inter-agency collaboration • provide for accountability.	The SFO is leading a joint Anti-Corruption taskforce that will aim to build a clearer, system wide picture of corruption and fraud risks across the public service. The findings will inform advice to Ministers on approaches to improving agency and system resilience.[81]

[81] Serious Fraud Office (2025) Anti-Corruption Taskforce Pilot.

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Centralised authority to manage system wide corruption risks

2.1. We recommend establishing a central authority responsible for managing system-wide corruptions risks. That could be assumed by a larger agency such as Public Service Commission (PSC), Police or SFO or a new entity, along the lines of Australia's National Anti-Corruption Commission (NACC).

2.2. This should involve a centralised reporting mechanism which is responsible for receiving and disseminating reports on corruption risks within New Zealand. This should include gathering:

- reports on employment issues involving an element of corruption or bribery from:
    - all government agencies
    - high-risk industries that are vulnerable to organised crime activities
- protected disclosures related to organised crime
- reports from all contact lines on suspicious and corrupt behaviour (e.g. Crimestoppers, Border Protect etc).

The Government is introducing a new requirement for reporting on misconduct within the public service, to inform public reporting.[82]

2.3. This central authority should also have responsibility for:

- investigating systemic corruption based on received reports
- sharing information to facilitate employment screening for high-risk industries
- referring evidence of criminal offending on to relevant authorities, (for example the Police or SFO)
- coordinating training and awareness campaigns to help people recognise the signs of corruption, and how to report them, for:
    - high-risk industries
    - communities and business in New Zealand
- conducting proactive checks alongside NZSIS to ensure PSR compliance across the system (see recommendation 4.1 below).

Work is underway to strengthen employment vetting in port and airports.

Review and update legislative settings around corruption offending

3.1. We recommend a review of the relevant law that considers:

- the definitions of "corruption" and "bribery" to make them fit for the modern environment
- capturing corruption by people employed in trusted positions in the private sector
- increasing the maximum penalties for corruption and bribery offences (currently 7 years) to reflect its seriousness
- treat corruption or bribery as aggravating factors under section 9 of the Sentencing Act 2002.

[82] Clause 38 of the Public Service Amendment Bill 190-1

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Standardising the approach to managing corruption risks

4.1. We recommend that Government consider positioning the PSR as a foundational element of New Zealand's broader anti-corruption strategy that ensures a nationally aligned approach:

- establish a public–private security forum for high-risk industries to share intelligence, align practices, and support PSR implementation (similar to the existing Insider Threat Working Group for government agencies)
- develop sector-specific or 'PSR-Lite' models that tailor the PSR to accommodate for the different industry risk levels especially small and medium enterprises
- mandate or incentivise uptake in high-risk industries by using regulatory tools or incentives such as procurement eligibility or licensing conditions to promote PSR adoption (e.g. a business would need to be able to demonstrate compliance with PSR to be licensed in their industry)
- embed PSR Standards into existing oversight frameworks, such as audit, licensing, and compliance regimes through sector regulators and professional bodies, ensuring consistency without new legislation.

4.2. To maintain trust and confidence, agencies should:

- strengthen pre-employment screening standards
- improve processes for disclosing changes in personal circumstances that may present integrity risks
- proactively gather information to identify corruption threats associated with employment positions in high-risk sectors.

The Serious Fraud Office (SFO) Counter Fraud Centre (CFC) has released two new resources to help strengthen our collective efforts to prevent fraud and corruption in the public sector.[83]

Pacific

5.1. We recommend the Government:

- create a Pacific Anti-Corruption Strategy together with Pacific countries and Australia
- provide support to the Pacific to introduce the same standards of vetting that we have recommended for our high-risk industries in New Zealand
- review the support offered to the Pacific to focus on projects which address the problems of organised crime, including corruption. This should include making available a specialist team of investigators and prosecutors to respond to acute issues in the Pacific.

C. Communities

[83] See: Procurement Fraud and Corruption Risk Guide and Online Learning Modules

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Integrating community responses within a national TSOC strategy

1.1. We recommend that the refreshed TSOC strategy should take a prevention-focused approach by setting directions for both enforcement and community actions, including harm reduction and demand minimisation. This should include appropriate oversight over implementation and delivery of the strategy.

This is part of the TSOC refresh – but there appears to be some cultural challenges in connecting social sector response

1.2. While community responses should be informed by the national strategy, they should be designed and delivered in ways that best meet the needs of different communities.

1.3. We expect there to be a clear focus on performance and system level outcomes across all parts of the system.

Preventing drug crime

2.1. We recommend:

- reducing the stigma around being a drug user to encourage users to seek help
- investing in the availability of effective addiction treatment services to remove the customers of drug crime
- considering wider rollout of alternative treatment models and criminal justice pathways for users, such as Alcohol and Other Drug Treatment Courts.

Preventing migrant exploitation

3.1. We recommend:

- Clarifying mandates between MBIE and Police for taking the lead on human trafficking offences to improve effectiveness of responses.
- That MBIE maintain focus on updating systems and processes.
- Requiring high-risk industries to actively identify, prevent, mitigate and account for the integrity of their supply chains, and making them subject to legal liability and regulatory enforcement similar to workplace health and safety.

Resilience to organised crime in communities

4.1. We recommend:

- That efforts to build the resilience of communities against organised crime (such as the ROCC model) should be a fundamental part of TSOC strategy.
- Providing a sustainable funding model through the frameworks set by the Social Investment Agency. This should remove siloes in the NGO sector and support a coordinated and outcomes-focused approach across the wider network of social provision which will support TSOC strategic objectives.
- That Police consider the potential for incorporating and integrating the Clear, Hold Build model as part of targeted law enforcement-led operations."

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Education

5.1. We recommend taking action to shift public attitudes towards the victims of organised crime to ensure that New Zealanders:

- understand the effects of organised crime on their community
- can identify and report instances of organised crime activity.

D. Information Sharing

Develop a National TSOC Information Sharing Framework

1.1. We recommend the development of a National Information Sharing Framework to standardise processes, clarify application of legal tools and embed a culture of proactive sharing.

This framework should include a Common Information Sharing Standard (CISS) to clarify each agency's powers and responsibilities and embed proactive sharing as a norm.

Establish a National Information Sharing Platform (Data Lake)

2.1. We recommend that government should consider progressing a national data lake —a secure, centralised platform for storing and accessing shared data that would support the TSOC Information Sharing framework.

This would improve traceability, transparency, and usability of information across agencies. It should be paired with a standardised case management system to enhance investigative capabilities.

Reform Legal Tools and Culture

3.1. We recommend:

- amending IPP11 of the Privacy Act to shift the burden of justification from the data holder to the requestor specifically in relation to law enforcement information sharing amongst agencies for in relation to organised crime, simplifying lawful sharing
- addressing legislative conflicts (e.g. between Tax Administration Act and Criminal Proceeds Recovery Act)
- refining AISAs and reducing reliance on MOUs, which lack legal force and consistency
- a shift from a "need to know" to a "need to share" culture between public / private organisations
- introducing KPIs and benchmarking tools for agency leaders.

Strengthen Governance and Oversight

4.1. We recommend creating a mandate for a dedicated body to oversee organised crime information sharing to ensure that there is consistent implementation and compliance.

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Mobilise the Private Sector

5.1. We recommend:

- formalising public-private partnerships, incentivising participation through education and legislative tools, and encouraging establishment of roles like Organised Crime Prevention Officers within businesses
- improving the sharing of relevant intelligence with high-risk industries
- developing a supply chain rating system linked to procurement eligibility.

Enhance Transnational Information Sharing

6.1. We recommend that government must prioritise the expansion and replication of successful models like the NZ Transnational Crime Unit (NZTCU), given the Pacific's strategic role as a gateway for illicit trade, the report highlights the critical importance of international collaboration.

The proven effectiveness of NZTCU not only strengthens New Zealand's internal efforts against transnational crime but also demonstrates the value of investing in similar units to enhance national and regional security.

Future-Proof the System

7.1. We recommend:

- establishing a clear and enduring legal framework that will prevent regression
- establishing accountability mechanisms to monitor compliance and incentivise performance
- investment in emerging technologies like AI and advanced analytics to detect patterns and enhance strategic planning.

E. Accountability

Strategic system leadership

1.1. We recommend establishing a dedicated Ministerial portfolio for transnational serious organised crime

1.2. We recommend establishing a dedicated oversight function to support the TSOC Minister to deliver on the response to organised crime

System-wide performance and continuous improvement

2.1. We recommend implementing accountability mechanisms to ensure agencies are being held to account for delivery of the response to organised crime, including:

- clear prioritisation
- regular reporting requirements
- leadership incentives

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2.2.	We recommend developing and maintaining a TSOC Maturity Model to monitor performance and ensure continuous improvement processes
2.3.	We recommend aligning the TSOC Maturity Model with the ROCC programme to ensure a sustainable community-led prevention response in the medium to long term
2.4.	We recommend proposing the organised crime system as a topic for the Office of the Auditor-General's 2026/27 review programme
2.5.	We recommend continuing work with our international partners to disrupt organised crime before it reaches our shores, and to ensure that we are getting a return on investment

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Appendix Four: Other structural options considered

Summary of options analysis

	Cabinet mandated CE group	Agency	Executive Board
A unified operational response to TSOC	Relies on voluntary cooperation	Directs strategy – but risk of new silo.	Formal tasking and alignment
Accountability to Parliament and the public	Indirect through departments	Held by CE of new agency; reduces accountability for other agencies.	Jointly to Minister TSOC.
Resourcing	Limited central capacity, and reluctance to pool resources.	Dedicated funding, but higher cost.	Collective control of system resources.
Sustainability of direction	Variable – depends on priorities	Long term focus and visibility.	Clear mandate that is renewable
Implementation complexity	Low – builds on existing structures Quick to establish	High – legislation and set up costs. Slowest to establish	Medium – some system change required

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