

Integrated Targeting and Operations Centre (ITOC)

2016 Review

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Foreword

This Review was commissioned by the governance group for ITOC which set its Terms of Reference (see Annex B). The Reviewer proposed a methodology which was accepted. It involved the circulation to interested agencies and within Customs of a questionnaire based around the TOR; this was followed by in- person interviews, covering senior and mid-level managers, past and present, as well as two CEOs. Those agencies and entities which were thus consulted are listed under Annex B but the views of individuals have been generalised in this report. The Reviewer received full cooperation and views were expressed thoughtfully and frankly by all interviewees.

The Review was supported logistically by Customs. The Reviewer expresses appreciation to Customs for this support and warmly thanks Matt Haddon for his expertise and his many other helpful contributions.

What follows in the report is largely self-explanatory. It was clear enough from the Terms of Reference and became even more apparent as the Review progressed, that the story of ITOC cannot be divorced from the evolution of border sector institutional architecture in machinery-of-government terms. Shifts in strategic priorities for border protection between human and economic security have also had a bearing on the perceived value of ITOC as a small but capable asset for the collective border community. Customs has persisted in articulating this element of value in the face of developments which went in other directions.

The big question, which the Review was asked to explore, is whether ITOC has a future as a sector-serving entity. Answering it took the Review to a wider underlying question – whether capability developments within the sector member agencies over the seven years since ITOC's establishment had, in aggregate, carried the sector significantly closer to the point of “a single border system” which had been the declared goal of the 2008-13 Border Sector Strategy. The extent to which this Strategy, which set the developmental direction for the border sector, remains relevant is unclear.

The conclusions and recommendations of the Review turn both of these questions back to the Border Sector Governance Group with some suggestions about where future value may lie. Whereas some officials hold a view that “things have moved on” and the moment for a collective version of ITOC has passed, it may be more fruitful to think about ITOC in terms less of organisational form than of risk management functions, of how they need to evolve or improve in future to meet dynamic border sector risks, and then of what institutional architecture best suits these needs. Some of these functions are currently being performed quite efficiently by agencies, and collaboratively up to a point. But they may need to advance to higher levels of collaboration in terms of system harmonisation and practice interoperability if the sector is to continue to serve national and international security well.

The Reviewer also took into account that in the period since ITOC was established and the sector Strategy was first developed, there have been important changes in New Zealand's national security policy settings, management doctrine, and the governance arrangements under the Officials Committee for Domestic and External Security Coordination (ODESC). A

refresh of the 2008-13 Strategy by the Border Sector Governance group (BSGG), as is recommended, would also be worthwhile on these grounds.

The Review contains, in Part One, an evolutionary history of ITOC and commentary on the 2008-13 Strategy, as well as on the emergence of advanced targeting as the critical new technology for border risk management. Part Two is about ITOC's value as seen by interviewees in terms of its present utility as a sector and a Customs asset and of what future value an entity with ITOC's functions and capabilities could provide within the border sector and beyond. Part Three contains conclusions and recommendations, some of which are necessarily speculative and are therefore cast as ideas for further follow up.

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Part One: ITOC – Evolutionary Development

Timeline/Milestones

1. Although ITOC was not formally established until 2011, Customs had been reshaping, and modernising its approach to border protection and control for some years. It was well aware of the synergies to be unlocked by de-siloisation done in tandem with the other border agencies. The option of a structural unification of the sector had been on the table in New Zealand, as well as internationally, for even longer. Annex A outlines this evolutionary story, including the various developmental milestones and factors influencing the eventual shape and character of ITOC. The following sections cover the most recent developments in greater detail.¹

The National Targeting Centre (NTC) – Forerunner of ITOC

2. With the advent of tighter requirements for advance information about passenger and goods movements (especially post 9/11), and leaps in technology (for data management and bio-identification) new border control tools became available for developed countries. These tools enable the targeting function. Targeting, in the border context, applies to the functions and practices which aim to prevent border security breaches by the early application of screening and profiling techniques to identify probable risk actors and threat behaviour patterns. By the use of analysis the profiles can be applied to mass data to narrow the risk-scape progressively, and to prioritise decisions about threat reduction, interdiction and investigation operations. Customs in particular recognised this as a step-change in border security tradecraft – a generic capability.
3. Customs also believed that a wider public management doctrine shift (“managing for outcomes”) which demanded cross-sectoral responses to cross-cutting problems, and emphasised sector clusters, could bring border sector architecture issues back into focus. It might even reopen the option of a full merger of all border management functions under a single agency, but at least it could mandate non-structural integration and accelerate a process across agencies of harmonised risk management involving certain common border security functions, and shared services affecting the operational/enforcement frontline, or the enabling infrastructure behind it.
4. The common function Customs foresaw as being particularly suitable for integration was targeting. A multi-agency “integrated border targeting team” could deepen the range and quality of information and intelligence about border sector risks and threats upon which the targeting function depends.

¹ The documentation upon which this summary is based comes from Customs files. There appears to have been no recorded interagency reporting (e.g. Joint Ministerial submissions, budget papers or ODESC briefings) and it is assumed that such interagency consultation as occurred took place informally or on the fringes of sector governance (BSGG) meetings. As part of its NTC and ITOC project management, which reported upwards to Customs Executive Leadership Team, Customs kept border partner agencies informed, but not consulted. Until recently, no standing body for ITOC governance existed.

5. This expectation was clearly reflected in the NTC project documentation. Customs planned not just the Customs-specific “NTC Implementation Project”, but also a multiagency “NZ Inc Implementation Programme”.
6. At the core of the NTC Project was Customs` ambition to address “border and security risks” from people, craft and goods holistically. This would enable Customs to act more coherently across its various enforcement activities and efficiently in terms of not having its regimes set at an overall level of security precaution that would impose heavy compliance costs on legitimate traders or travellers. Customs aimed for better integrated information, improved knowledge management (especially intelligence analysis) and to achieve a new standardised targeting process, with common rules for profiling within Customs. This would require both a structural realignment and reallocations of command, control and communications. The NTC was to be a centralised entity, part of the new Intelligence, Planning and Coordination (IP&C) group providing services to operational staff and decision-makers based in the field.
7. The question of how Customs should manage information and share knowledge (especially knowledge derived from sensitive intelligence) was part of an IP&C realignment programme. But in fact, although it utilised intelligence analysts in the targeting teams and was part of the IP&C group which included Intelligence, NTC itself was established as a separate unit to the existing intelligence component. Some of Customs’ key overseas partners, by contrast, post 9/11, had undertaken broader restructuring and institutional realignments aimed directly at the fusion of all forms of border security knowledge, including what had previously been very compartmentalised intelligence. This was not solely in order to strengthen homeland security against foreign passenger threats. Facilitation of trade became more dependent on the perceived quality of border security management (particularly for exports to the United States of America).
8. In June 2006, the NTC commenced operations at a Customs’ premises in Mangere with a staff of 55 Customs’ employees. Partner agencies with a presence at Mangere were initially the Ministry of Agriculture and Forestry/Biosecurity New Zealand; later Immigration New Zealand and Maritime New Zealand. Police were not a partner at this time. The costs of establishing the NTC were borne entirely by Customs from within baseline.

The 2008-13 Border Strategy and Priority Work Programmes

9. This public document emerged from an extensive Cabinet process. The first of its kind, it was issued in October 2007 by the chief executive level Border Sector Governance Group (BSGG) created a year earlier after a State Services Commission (SSC) review. It defined the border sector as a group of six agencies – Customs, Labour (Immigration NZ), the Ministry of Agriculture and Forestry, the Ministry of Transport (and its three Crown Entities – Civil Aviation Authority, Aviation Security and Maritime New Zealand), the New Zealand Food Safety Authority and the Department of Internal Affairs. BSGG core membership was the first four.

10. The structural options for a merger/amalgamation to create a single border operations force, or a unified border service, or the further step to a single “homeland security” agency – in vogue overseas – had all been rejected by Cabinet. Instead it opted for “a more functional approach” to deliver “joint sector outcomes” emphasising systems integration. It would not entail legal or administrative change to the current responsibilities of any agency. Although the Ministerial level is not mentioned in the strategy, the Cabinet portfolio arrangements were not changed.
11. The New Zealand border sector would therefore remain vertical in its architecture of six agencies (and other public entity stakeholders, all with border-related missions or interests) but, by intent, increasingly horizontal in output production and delivery, progressively building one border management system. This was a federated model resting on collaboration principles, firm but not binding; agencies would apply them “according to their own planning and service delivery needs”. The strategic objective – system integration – would be brought about progressively through dedicated programmes of work to realign agency machinery and processes to make them more accessible and interoperable, particularly at the physical border. A sector budget line would be created. An active governance posture by BSGG (not just passive monitoring but “directive/overseeing”) was seen as essential. Four work programmes were to be given priority. Each would have projects managed by its own multidisciplinary, cross-agency team.
12. Of the four priority work programmes thus established, one in particular was relevant to ITOC and this Review – the risk-profiling of people, goods and craft before they arrive at the physical border. The goal was to develop “a shared border sector intelligence/risk framework and related border alert system to service whole sector”. This was further defined under the protection header in the Border sector operational context and work programme priorities outlined in Figure 1 below.

Facilitation	Protection	Partnership
	<p style="text-align: center;">Operational environmental drivers</p> <ul style="list-style-type: none"> - Speed/cost/effectiveness trade offs - International competitiveness - Complexity and change - International developments 	
	<p style="text-align: center;">Intelligence/Risk/Profiling environment</p> <ul style="list-style-type: none"> - Links between types of offending - Constraints and opportunities - Complex problems and need for ready response to threats - Technology is a key enabler - Tools to target risk without increasing staff numbers - Border agencies at different stages of intelligence, risk management and profiling development 	

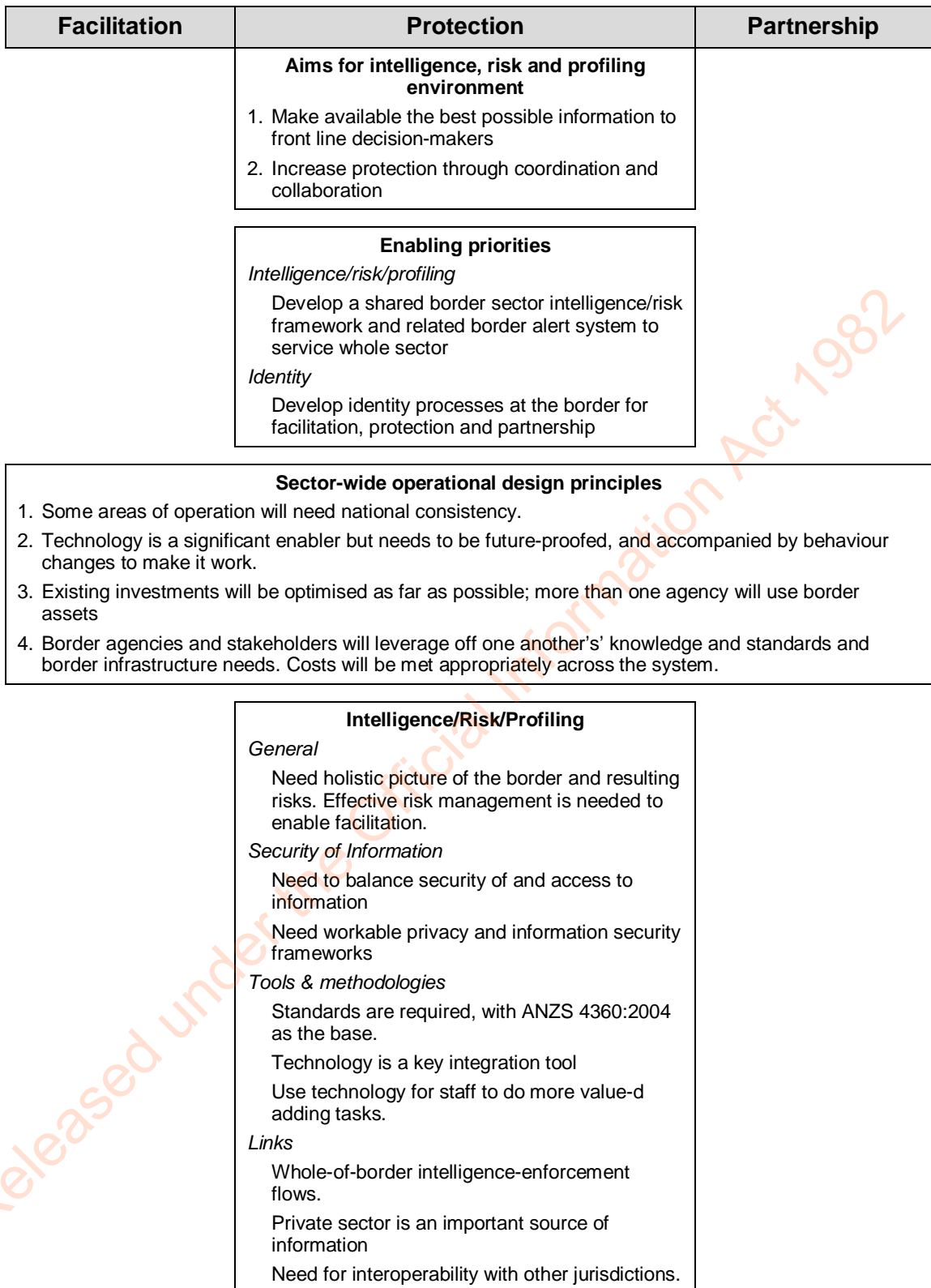


Figure 1: Border sector operational context and work programme priorities – Protection

From NTC to ITOC (Expectations – Mission and Functions)

13. Customs' IP&C Review (commenced in mid-2009 after the change of government) described NTC as "the first step" towards a more strongly coordinated approach to border risk management and the targeting of high risk persons and goods. The next step, as seen by Customs, was to enhance support for more rapid and efficient responses to identified border threats. This would be achieved by moving the targeting function and elements of Customs' then operational planning and coordination arrangements closer together.
14. In developing the ITOC project charter (March 2010) Customs continued, as it had with NTC, to think in wider sectoral terms, aiming at consistency with the Strategy. The Charter said ITOC was to be "a multiagency-focussed facility, and with growth in membership in the future, may be a catalyst to the merging of border management functions". Elsewhere in project documentation the need to develop multiagency accords and to establish multiagency national standards and shared governance arrangements (a Joint Interagency Coordinating Group) are outlined.
15. The particular Customs' elements to be centralised in ITOC were:
 - i. **The watch function** – previously a function performed regionally in ports-based operational teams on a limited hours schedule. Now ITOC would provide a continuous nationwide over-watch.
 - ii. **The planning function** – if a response operation required extra Customs' resources (e.g. from another workgroup), ITOC's planners would plan for and coordinate the deployment of the increment/reinforcement elements and redirect or prioritise human or other resources for the operation in question. The provision of analytical and logistic support for an operation commander would continue to come from the relevant operational work area to be augmented by ITOC as required.
 - iii. **Knowledge management and decision support** by maintaining higher-level domain and situational awareness, including the contact with other agencies contributing to a particular operation. It was clearly stated that the command of operations in the field was not ITOC's role except in certain specific circumstances. The default position remained that the relevant local/regional operations group would command.
 - iv. **Targeting** – the risk profiling and target development process which, at this time, was seen as both a growing necessity for Customs' own business needs and potentially a multiagency function, an integral part of the 'single border management system' under the 2008-13 Strategy.
16. With a common location and an integrated staff the new ITOC would offer 24/7/365 day services. It would identify risks, assess threats, provide targeting directions, help plan responses to threats, and help direct or coordinate the conduct of operational responses as required.

17. ITOC would also better serve as the clearing-house and contact point for a range of Customs overseas liaison interests and border sector/homeland security entities with who very close partnerships had been established.
18. Both this new operational coordination (support) function and the targeting function would consume and generate information. ITOC would also need to become the institutional home for a multiagency approach to 'border sector awareness' through the fusion of information and intelligence-derived knowledge between Customs and a group of existing and potentially new agency partners. The main objective regarding fusion was not necessarily a single intelligence repository but to better share law enforcement and regulatory information across the border sector.
19. This change also brought Customs' targeting function a step closer to its Intelligence group. The new premises at the Auckland Customhouse offered improved security features making it easier, in principle, for other agencies to bring various kinds of information into a common space where it might become fused, or at least more readily available. Unlike the Mangere facility, ITOC would also have the ability to handle highly classified intelligence.
20. Besides the opportunity for better sharing of strategic knowledge (the border risk-scape), Customs foresaw that the real-time situational awareness required for operational or tactical decision-making could also be generated on a fused or integrated basis between agencies (the ITOC Charter had expressed the aim as "to ensure integration of collection, sharing and analysis of intelligence with respect to targets that are a threat to border security"). Customs incorporated a state-of-the-art visual display system – a video wall – in the design for the new ITOC premises in the Auckland CBD. Planning provision was also made to develop the means to deliver an even fuller situational awareness capability – a 'Common Operating Picture' – in the form of an electronic capture and display of multiple activities in real time, simultaneously available to both frontline and rear. This multi-layered geospatial capability had initially been a military tool but law enforcement and homeland security entities overseas had been adopting it more widely.
21. Customs' project documentation for ITOC acknowledged some risks, including failure to secure interagency uptake and participation. Behind this (although not as explicitly stated) were some deeper constraints. Fusion as a concept had known limitations. Some would be imposed between domestic agencies by standard operational ('need-to-know') security. Furthermore, certain types of information from overseas partners whether strategic or tactical, could not be shared freely; it was generally vouchsafed by one counterpart to another (e.g. Customs to Customs) under specified conditions of use. It had to be handled according to the rules and restrictions of the originators. Absent a new joint information management platform, or at the least, a clear set of information management protocols, these were enduring constraints for sector wide knowledge management.
22. Similarly, the aim of a higher level of national cross-agency interoperability in other functional areas (e.g. interventions and investigations) also had ongoing restrictions because the agencies had no common legal basis for exercising the various powers

required to enforce border controls, and this in turn created different doctrine and operational practices.

23. Customs had a clear idea of what sorts of operations might be supported by ITOC. Their operational environment is made up of pre-border, at-border and post-border activities. At each of these, there are three kinds of operations:
 - i. 'routine' enforcement – normal operational activity in ports and airports.
 - ii. 'deliberate' – pre-planned operations to mitigate or neutralise identified risks and latent or materialising threats (including those exposed by targeting) of a certain magnitude or complexity.
 - iii. 'contingency' – time critical interventions against actual events where border security had been or was about to be breached, and response operations mounted.
24. Customs' experience was that it could have all three types of operations in progress at any one time, and it could also be a party to operations which border partner agencies had initiated for their own or wider national security reasons.
25. It was also Customs' belief that beyond its value to Customs, ITOC, with its Auckland CBD location and then technical advancement opportunities, offered a new capability – a multipurpose infrastructure and scaleable platform – for multiagency command, control and coherence in either deliberate or response operations of a certain scope and complexity.
26. In mid-2011, ITOC commenced operations in the Auckland CBD with a staff of 65 Customs employees. Partner agencies with a presence were MPI, NZSIS, Immigration NZ and Maritime NZ; Police and AvSec joined later. The costs of establishing ITOC – both capital and operating – were borne exclusively by Customs from within baseline although the video wall received extra appropriation via a business case. The average annual Customs' budget allocation for ITOC over the past three years is \$4.4 million.

The Targeting Function

27. Customs' institutional grasp of the power of targeting matured between NTC and ITOC and has continued to do so with uptake of new technology supported by other investments in, and practice with, profiling tools. The ability to access mass data about goods and people flows prior to the physical movement, to screen it electronically and to integrate layers of information and interrogation into it so as establish risk profiles and selectively target them is now central to its risk management.
28. Recent performance data suggests that productivity, in terms of alert hit rates, is increasing exponentially and can be directly associated to the capacity of the technology to cope with increases in the number of profiling rules with which the data can be interrogated. There appears to be a virtuous circle as inputs from profiling, intelligence and frontline feedback are sequenced into the process by experienced

operatives. As a business practice which enables border risk management, targeting is now in common use amongst overseas partners with whom important profiling inputs are exchanged.

29. The underlying technology and the applications are the same or similar. However, there are some fundamental differences in how the three New Zealand border agencies need to set their risk parameters and how much reliance they put on the frontline intervention. Customs can rely on its targeting processes to treat a bigger proportion of travellers and traders as trustworthy (not requiring primary line scrutiny) based on their profiling than can MPI. MPI's risk parameters have to cover unintentional or adventitious contamination or infection. Immigration NZ, for reasons related to the role played by agents in its pipeline, and because it is still building its profiling infrastructure and expertise, regards primary line scrutiny, as a more significant input to its risk management. Immigration NZ therefore needs a high level of interaction and feedback between its frontline and its targeting staff. There are also differences in the quality of advance information between the maritime border and the air border. In short, at present, there are parts of the targeting function where agencies interests, capabilities and practice are not uniform or convergent.
30. Nonetheless targeting can still be considered a common business practice and border sector craft and the agencies can still benefit from harmonising practice – to some considerable extent. The potential for joint or teamed approaches lies most clearly in the application of data analytics to information and core data sets which are increasingly being interfaced, and then in the application of profiling tools enriched by intelligence inputs to the mass information. It is a progressive knowledge refinement process which can utilise common infrastructure, methodology and practices.
31. Given that the process must accommodate differences in type and nature of the risks, these inherent commonalities in respect of core information and data sets, targeting tools, and techniques and methodologies across the sector, will need to be leveraged in practice and could be expected to emerge organically as practice matures.
32. The following diagram (*Figure 2*) considers a commonality and divergence continuum with regard to the border risk targeting functions. This primarily looks at traditional law enforcement security risks versus biosecurity risks although can be applied to the majority of agencies risks to a greater or lesser extent. It leads to the suggestion that the most fruitful area for multiagency collaboration lies at the top of the process where the commonalities are greatest.



Figure 2: Targeting commonality and divergence continuum

33. MPI and Customs have further significant developments at hand in respect of goods and trade (beyond the Joint Border Management System (JBMS) Trade Single Window). The broader aim of the JBMS project is to provide a greater level of information access, risk assessment and work flow management for both agencies. This, when fully rolled out, will shift data sharing and integration to a new level not so far seen elsewhere in the New Zealand border sector. In this sense the 'facilitation' objective prioritised in the 2008-13 Strategy, at least as it affects trade and commerce, has been achieved by Customs and MPI.
34. Whilst the JBMS project has no direct impact on the configuration of ITOC, MPI also has a major internal project to further develop its capability to analyse data to inform several of its risk management processes and this may yet impact.

Part One: Summary Observations/Conclusions

35. Customs developed the NTC and later ITOC over a decade, principally for their own business improvement (effectiveness and efficiency) reasons. The costs were borne by Customs.
36. Customs also saw NTC/ITOC in a wider border sector context where outcomes (public safety and trade facilitation) and outputs (security risk management and related

protection or control operations) were increasingly interdependent between agencies and therefore required enhanced interoperability.

37. Customs always saw itself as the hub agency for the border sector. This arises not only from the fact that it is the only agency with border management as its sole and central statutory mission but also from the reality that the Customs systems have provided core elements of the systems architecture for border management. Other partners and stakeholders “orbited” around Customs. It therefore expected to lead the way, in the sense of having to prepare Customs’ infrastructure and systems for other agencies to connect with in order to enable deeper interoperability. In this context, the expression “build it and they will come” was used by some Customs staff recalling the NTC/ITOC planning phases.
38. Customs had also expected that the fact of co-location would, over time, stimulate recognition that integrated targeting was both necessary and technically feasible. Common doctrine and practice standards would evolve. At the time it was not as clear as it is now that this does not apply end-to-end but to some parts of the targeting continuum than in others.
39. In Customs’ planning for both NTC and ITOC, the gaps and obstacles to systems integration, full knowledge fusion, centralised risk management and the various constraints to functional interoperability were directly acknowledged. The need for intelligence sharing for risk recognition (not threat response activation) – that is, strategic (not tactical) intelligence reporting collated and disseminated within the sector and beyond to key partners (such as the Police) – was one such gap identified.
40. The need for an authorising and mandating process to further align systems, intervention doctrines and enforcement practices – through a “border accord” by border sector governance leadership – was foreshadowed.
41. The establishment of BSGG and the subsequent promulgation of the 2008-13 Strategy and work programmes appeared to meet this purpose. The strategy sets a goal of a “more integrated and responsive border management system”. The targeting function, primarily under the ‘protection’ work stream (refer *Figure 1*) was to be a specific point of focus. Customs NTC/ITOC plans were congruent with this.
42. It had, however, always been in Customs mind that the general tide of public management doctrine in New Zealand, towards ‘joined-up’ government, with an emphasis on sectoral and cross-sectoral outcomes, might, one day, carry the border sector into a more defined hub and spokes architecture, or even to a unitary structure. This was a rational enough expectation, based on international comparisons. But the 2008-13 Strategy expressly ruled it out.
43. Other later machinery-of-government changes under the 2012 Better Public Services reforms have somewhat taken border partners into other structural alignments – into different sector configurations with different mission priorities.
44. The Reviewer does not intend this comment to be read as criticism of the decisions that took Immigration NZ into an economic growth mega-agency (MBIE) and which

tied Biosecurity NZ into an expanded primary industries mega-agency (MPI). They were made by a different government from the one which owned the 2008-13 Strategy and the economic (productivity) rationale especially in the immediate post-GFC context (2008-11) was compelling. However, in the sense that all such acts have consequences, one perhaps underappreciated consequence was that other pressures and priorities besides border sector security interoperability came to the fore. At a time of severe budget constraints, integrating border facilitation, and reducing compliance for traders/tourists became the higher priority (e.g. JBMS Trade Single Window).

45. Furthermore the Strategy, spread across the three fields – Facilitation, Protection and Partnerships – was intentionally incremental. In particular, it is not surprising that progress towards knowledge fusion and integrated targeting has been incremental. The obstacles to it foreseen by Customs – some extrinsic in nature – have persisted, and have constrained progress.
46. The means by which the goals of the 2008-13 Strategy were to be achieved were clearly not hard wiring but soft wiring – an “accord” based on collaboration, not compulsion. Agencies retained their autonomous status; the border sector was a confederation. Members would form “coalitions of the willing” and they were expected to opt into resourcing the projects mandated by the BSGG as the programmes rolled from design to implementation.
47. It is not clear whether the BSGG has formally reviewed progress and constraints across the Protection agenda as a whole, or in the subsidiary work programmes in which enhanced targeting interoperability is a specified sectoral objective. Some interviewees felt that ITOC had progressively become disconnected – “left to its own devices” – from any wider sense of sector strategy and mission.
48. The 2008-13 Strategy may have been overtaken or subsumed in other sector policy documents or understandings, of which the Reviewer is unaware.
49. In any event, in a way the Strategy has lived on. There have been and are still efforts towards its objectives at a sub-sectoral level, notably between Customs and MPI, in the various components of the JBMS initiative.
50. Also, operational cohesion for border protection has been sustained, if not improved, because of longstanding relationships and well-established practices for on-the-ground collaboration, including between investigation and enforcement arms.
51. From a wider national security perspective, over the decade 2005-15, there do not appear to have been any major operational failures that could be traced back to dysfunctionality of border sector response attributable to risk management or knowledge management deficiencies. In fact, during this period there have been several border security risk mitigation and threat management successes where cross-sector collaboration was essential (for example, the Rugby World Cup). Sector sensitivity to emergent risk and readiness also appear to have been well maintained through exercising (for example, people-smuggling / mass arrivals).

52. In addition, for some border agencies/partners, 2008-15 has been a time of heightened alert or high operational tempo (for example, biosecurity issues) necessitating focus on their core business, their business models and their support systems.
53. And it appears that all the core border agencies – and other collaborating agency partners – have still managed to find resources to make certain capability investments. So in terms of aggregate border readiness, and protection and facilitation capabilities, it could also be said that national security may well have been improved.
54. Whether the various bespoke and agency-dedicated systems and tools fully complement and reinforce each other or simply duplicate and whether a more coordinated sectoral approach to capability might have further enhanced the sector's systemic capability are questions beyond the scope of this review.
55. It is pretty clear, however, that the need for ITOC to provide capabilities which others did not possess a decade ago, particularly for operational coordination and crisis management, has been much reduced.
56. This leads the Reviewer to conclude that overall sector governance (and indeed other governance, for example, ODESC) have perhaps “left well alone” the border sector. It has generally been seen as functional. It had its strategy and knew the Government's priorities, its evolutionary systems developments were a work-in-progress and its operational performance overall was satisfactory. The saying “if it ain't broke, it doesn't require fixing” is true – up to a point.
57. It may, nonetheless, be time for BSGG undertake a strategy refresh and reaffirm the importance of agencies leaning towards not away from the 2008-13 Strategy agenda of systems harmonisation and alignment. It can be argued, consistent with the direction of the all hazards national security framework, that because the risk-scape will continue to change and perhaps grow more complex, a wider range of border effects will be required to meet a widening span of sectoral and cross-sectoral needs. Therefore, agency systems will need to work ever more inter-operatively and across the sector not just for tactical reasons but also if they are to emerge eventually as the “one border management system” ordained by the 2008-13 Strategy.
58. The sector architecture itself also deserves some consideration. As it stands it is a federated / loosely affiliated structure comprised of largely separate services which interoperate to achieve border security/facilitation effects, in the same way that the service arms of the New Zealand Defence Force interoperate (but there is no comparable central command and no joint headquarters).²
59. A refresh led by BSGG could therefore ask if the sector's evolutionary progress is visibly towards highest interoperability at the points of highest interdependency where risk management might otherwise fail.

² Australia's institutional architecture for border management reflects a different approach to border sector integration from New Zealand's. It has taken the structural path, amalgamating Customs and Immigration into a single department (Department of Immigration and Border Protection) and also bringing previously separate operations into one force (Australian Border Force) under one command. This resulted in integration of targeting and operations in respect of all the non-biosecurity components of border protection. A further summary is at Annex C.

60. As for the 2008-13 Strategy systems integration agenda, the path itself may not have changed; shared knowledge, aligned doctrine and harmonised practices (“no silos within sectors”). A refresh might establish what has happened through or without the work programmes and it could seek a consolidated picture of present and future capability investment intentions.
61. A refresh should also look closely at the ‘protection’ work stream (refer *Figure 1*) of the 2008-13 Strategy. It should ask what was intended in the “intelligence/risk profiling” programme particularly in light of what is now known of the potential of automated data analysis.
62. Specifically for Customs, a refresh needs to deliver some clarity about the future sectoral value proposition of ITOC.

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Part Two: Value Proposition

Post-Interview Key Points and Findings about Current Value

63. This section explores the question of present value on the basis of interviews and responses to a questionnaire sent to the ITOC Governance Group agencies and some of the partner/stakeholder entities identified in the 2008 BSGG terms-of-reference.
64. Customs itself is confident it is now getting most of what it wanted from ITOC. In particular, it is getting results in terms of successful interdictions/seizures at the border from its investments in the targeting function, especially as its technical capabilities have expanded around data analysis and smarter profiling tools. This is against a backdrop of rising passenger volumes, rising cargo and mail volumes, and behavioural dynamics at vector or entity level. Customs shares with most New Zealand partner agencies a particular sense of exposure to maritime border risks from craft and passengers.
65. It has also become possible for Customs to achieve a higher degree of functional alignment between intelligence and targeting – a situation it had been seeking since the review of its IP&C Group – and ITOC is integral to this.
66. Some progress has been made towards the wider sectoral goal – border protection intelligence de-compartmentalisation – but the same systemic inhibitions about privacy, information sharing and operational security that have affected other sectors dog the border sector. ITOC has not become the centre of an interagency fusion function. In some respects, in fact, intra-sectoral accesses may have become more constrained.
67. ITOC has become a recognisable “front-of-shop” for Customs externally. Overseas partners can approach or be approached through ITOC. Whereas Customs values ITOC as a reliable clearing house for its various offshore partnerships and regional connections, other agencies do not see it as a collective facility representing the international face of the New Zealand border sector. Agencies largely conduct their own business bilaterally with counterparts.
68. An interesting observation was made, separately by two senior officials, about the extent to which border management doctrine itself is shifting internationally towards balancing the traditional vector-specific risk management model (that is, single movements of sea cargo/vessels, air cargo or passengers) with an entities-based approach which spans all vectors and focuses on persons and cohorts with the capability and intent to exploit border controls. This reflects strategic determination to manage risk earlier – pre-border, not at border – and it may not apply equally to all national circumstances. But it is a matter for consideration whether more pre-border offshore collaborations of a multiagency nature are likely and should be explicitly recognised as a future management challenge in the New Zealand context.

69. If so, it may impact on ITOC's future usefulness. It appears that there is presently no institutional coordination point for the offshore engagements for the border sector as a sector. That degree of agency autonomy in border sector diplomacy may well have been, and may still be, quite appropriate for policy, information exchanges and even political consent and assurance matters. But interviewees asked whether is it so for the more complex operational matters that will inevitably arise with agencies expanding both the range of overseas partnerships (for example, to cope with a deeper internationalisation of organised crime) and the depth of offshore pre-border operational engagement required to be effective in deterring or disrupting threats. ITOC itself, in terms of its present form, may not be the answer to this question, but it could be part of a functional solution if this were seen as a new strategic area for systems integration.
70. The present group of border sector partners – those with a presence at ITOC – held views on a spectrum of mildly positive to rather negative about ITOC's value to their agencies. The MPI group is the largest; it is made up of tactical intelligence analysts, data analysts and target evaluators. Other agencies have, or have had, a one or two person liaison presence. Some saw their interests better served by repatriating their co-located staff, who appear to feel that the tasks being carried out were for their parent agency, not the border sector. The greater benefit has been perceived in stronger internal alignment and such external interfaces as were necessary with Customs, or other partners, could be managed virtually. For some, the CBD location of ITOC was problematic because their efficiency gains came from frequent and easy interaction between frontline staff and "their own" targeting specialists. The idea of improving this situation by having an ITOC satellite facility at Auckland and Christchurch airports received some support.
71. Those partners closest to ITOC's day to day business expressed misgivings about culture and working environment. Some issues (incidents) have arisen involving partner staff where accommodations amongst partner agencies have not been able to be found and matters have escalated. There are feelings of marginalisation. Customs acknowledges that there is some foundation for these attitudes and wants the new cross-agency "governance" group to support its management, and guide it to effective solutions to future matters of this kind. This is a sensible and overdue development.
72. The Reviewer wonders, however, because these are in many respects matters of "feel" and "touch" regarding the working environment, it would be better to mandate the group in a "management advisory" rather than classic governance role – expected and entitled to be called upon, and consulted by management, contribute in a hands-on way to issue-management with practical solutions and carry their parent agencies along with such solutions.
73. The senior interviewees from partner agencies were also aware of these matters, but were less inclined to see them as devaluing ITOC itself. They generally felt ITOC had bought efficiencies to Customs from which sector agencies benefited indirectly but as a sector fusion centre and a sector communications and operations hub, it was an idea whose time had not come or had passed ("things have moved on").

74. But they still saw some potential in reaffirming or renewing a sense of common direction about border security risk management, better sectoral information sharing and in continuing to treat targeting as a function with elements which are amenable to very close, if not fully integrated practices, by border agencies.
75. The vast majority of Customs' border protection activities are 'routine' and are carried out by the relevant teams. They often require some bilateral collaboration between agencies' frontline team leaders, but do not require significant ITOC involvement. By the same token, Customs' own experience is that, in these cases, if called upon (for example, at times of very high tempo) ITOC can supply planning and logistics inputs of a high professional standard.
76. When Customs has the lead agency role in 'deliberate' operations of significant scale and complexity, involving other agencies, it relies on ITOC support. Other agencies, notably Police and MPI, tend to use their own centres for tactical command and handle strategic oversight from their Wellington facilities close to the national security apparatus run by DPMC. There are successful examples of the use of ITOC by lead agencies other than Customs for joint operations where the delivery of effects at the frontline/border are a big part of the tactical plan.
77. ITOC is capable of providing facilities for cross-agency crisis management in a national civil emergency response, as it did for Customs in the Christchurch earthquake, or in a wider event with international or regional actors. Many interviewees acknowledged that ITOC has such a contingency value, especially in Auckland.
78. A question asked by interviewees concerned the relationship between the National Maritime Coordination Centre (NMCC) and ITOC particularly in regard to the fusion of sector information to create a common operating picture. NMCC is differently governed. It is under its own CEO sector configuration (the Maritime Security Oversight Committee not BSGG), is hosted by Customs but co-located with NZDF, and has a formalised multiagency character, charter and mission.
79. That mission, leaving aside the rationing of maritime patrol assets for civil stewardship, sovereignty and regulatory enforcement operations, is to support New Zealand maritime domain awareness of physical activities and vessel/craft presences inside the country's Exclusive Economic Zone and beyond in the high seas approaches to it. ITOC is a user of the NMCC's current geospatial picture, which is multiagency-sourced and fused up to a point defined by information security boundaries.
80. ITOC likewise produces for Customs a multi-layered picture of its operations onshore and offshore, maritime and aviation, more akin to that developed by NZDF. Other border sector agencies and border entities have been developing similar capabilities, as has Police.
81. But interviewees noted the absence of anything approaching a comprehensive holistic multiagency security risk/threat awareness product for the maritime border (passengers, crew and craft) – in contrast to the aviation border. There appears to be room for some forward thinking in the border sector community about whether this is a significant knowledge and systems gap. Some particular concerns exist about visits by

cruise ships. Regulatory agencies such as Maritime NZ have risk management (vessel safety and environment) alerting information and mitigation duties to discharge in the same locations as Customs and other maritime border protection agencies. Risk assessment, threat recognition and operational de-confliction are interests in common which can be serviced by shared knowledge.

Value Proposition

82. With regard to ITOC's future value, the following propositions, which arise from the conversations with agencies and their feedback to the questionnaire, could guide BSGG and other sector discussion and analysis. There are six broad areas where future border sector interests potentially align. Within each area there are specific tasks and functions which appear multiagency in nature and which could involve ITOC itself or the capabilities it houses. The future institutional shape of ITOC and its organisational configuration should be determined by decisions about future tasks and functions. An evaluation of these propositions should involve testing for overall impact in the wider context of border sector strategies and future developmental priorities.

Offshore arrangements and event-specific domestic operational coordination:

- Overseas partner arrangements and messaging – for pre-border operations offshore involving more than one agency at either end and for Pacific regional support.
- Established, known, 24/7 accredited contact point and clearing house for counterpart National Targeting Centres.
- Large scale operational coordination and headquarters element capability for certain domestic cross-agency operations (deliberate and responsive), and for exercising.
- Profiling/Targeting capability for wider national security risk evaluation (including in response to the risk shift to departures).
- Secure functionality for Customs or multi-agency use if business continuity fails at other locations (for example, Auckland airport) or as ops/crisis centre for civil defence and emergency management purposes.

Maritime border knowledge management – awareness and coordination:

- There is an opportunity, leveraging the NMCC and multiple agencies, to develop a joint technology platform (geographic information system based common operating picture) in support of the border sector responsibility to manage maritime border security holistically and direct border risk responses. This would ensure the NMCC knowledge product for maintaining maritime awareness and asset tasking and coordination compliments ITOC's product which is aimed at border response planning and coordination functions.
- A stronger planning, coordination and de-confliction capability – covering small craft arrival and departure season, cruise industry, maritime operations, risk vessels and

maritime events – appears needed, and would be best enabled by a holistic knowledge product.

- It would first require obstacles to secure information management and communications functionality for multi-agency use to be addressed.
- Interested ITOC parties include: Customs, MPI, Immigration (and MBIE – offshore oil industry), Maritime NZ and Police. Additional interested parties could include the Environmental Protection Agency, the Ministry of Health, NMCC and NZDF.

Maritime targeting:

- A broader and better consolidated maritime border risk targeting process covering commercial vessels (cargo, fishing, cruise) the small craft arrival and departure season, the cruise industry (passengers and crew), and safety and environmental risk vessels.
- Interested ITOC parties include: Customs, MPI, Immigration (and MBIE – offshore oil industry), Maritime NZ and Police. Additional interested parties could include the Environmental Protection Agency, the Ministry of Health, NMCC and NZDF.

Joint target analysis and development:

- It is considered that both data analytics capabilities and certain target development capabilities are inherently quite interoperable across the sector.
- There is commonality between the tools and techniques used to analyse and exploit data and information.
- The convergence of data and information streams, including that already underway through JBMS, can be taken further to a wider group of border security risk managers.
- It is increasingly well understood that the greatest convergences lie at the front end of the target develop processes – i.e. data analysis (refer Figure 2).
- The efficiency and effectiveness benefits of closer targeting alignment, which accrue with practice, are available to a wider group of border security risk managing partners without compromise to operational specialisations.
- The means of achieving closer alignment and higher interoperability in these particular functions maybe by co-location but certainly involve close engagement regarding doctrine and principles of collaboration best captured in an integrated team approach.
- Different risk profiles and different vectors necessitate divergent threat management and response practice. Tactical level target evaluation and selection is not a function that lends itself to integration (as much as the data analytics and target development functions and methodologies above do). But it still requires accessibility, communication and other coordination arrangements amongst agencies to support border security outcomes.

- Intelligence enriches the process at two levels – strategic and tactical. There is a need for a ‘border sector emerging risk’ identification capability and a strategic knowledge product, generated by sector members and other contributors, and commonly available.³ It would be a holistic product joining vector and entity-based approaches and analytics. BSGG and DPMC (SIB) would need to engage to establish viability and mandate the arrangements.

ITOC configuration:

- ITOC performs for Customs a range of functions consistent with its title. But it is not a facility which conducts sector-wide targeting or integrated operational coordination. Based on the primary function of ITOC being the support of Customs activities, Customs should therefore control ITOC.
- Depending on the response of the BSGG to this review, the facility itself might in future become the hub for a multi-agency targeting function focused on the elements of this process which have the greatest commonality in their practice (in particular data analytics and target development – as outlined above).
- The targeting function could be configured as follows:
 - Rotating manager responsible for process alignment and approach, tools and capability development, relationship management and conduct.
 - Embedded agency representatives in a taskforce type approach.
 - Team members report to their substantive agency for ‘pay and rations’ and retain agency risk focus and profile development but utilising joint doctrine and methodologies.
 - If so, it could be described as a team (or taskforce) housed within ITOC and be separately named (for example, a Border Targeting Team).
- If other aspects of the future value propositions put forward above are adopted, the sector functions to be performed should be carefully scoped and determined by interagency agreement and those to be undertaken within a border targeting team be the subject of a new charter.
- One consideration is the development of an airport based hub for border agency targeting and evaluation staff to base themselves in either a permanent presence in support of frontline staff or as an extension of the CBD based ITOC environment.

Overall impact – border sector mission and indicative development goals:

- Apart from the joint targeting function proposed above, the remainder of the future value propositions, whilst largely pointing at an interagency entity, only make sense in the wider context of border sector mission and underlying developmental direction. It is for BSGG to reaffirm the 2008-13 Strategy in that respect, or adapt it by re-specifying as border sector collaboration goals, functional developments which recognise interdependencies and support interoperability enhancements for

³ A sector product (the “Strategic Border Risk Assessment”) was developed. It is not currently being produced. This may be related to wider intelligence community concerns and issues.

agencies and partners with shared risk management responsibilities. However, in order to make this document coherent to itself, the Reviewer has taken the liberty of providing below an indication of what these refreshed or adjusted sector goals might be. Adapted in part from recent Australian policy documents (see Annex C), they are presented as outcomes and border security benefits:

- Improved ability to identify latent and hidden risks (strategic knowledge).
- Increased confidence about discerning levels of risk and prioritisation of treatment.
- Earlier analysis of risk reduction and threat mitigation options (enables pre-border responses).
- Earlier and richer quality threat-alert / watch list information to core sector agencies and partner/stakeholders.
- Analysis based on ‘one border’ (not single stream) and ‘entity plus vector’ to enable more effective treatment of cross-cutting risks (e.g. maritime).
- Deeper international collaboration.

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Part Three: Conclusions, Recommendations and Suggestions

Conclusions

83. Over the decade of NTC / ITOC evolution (2005-15) the border sector has largely coped with rising pressures to enable commerce and enhance security without imposing excessive compliance costs. Trade facilitation performance has been improved. At the same time no significant border protection failures attributable to institutional incoherence or interagency dysfunctionality appear to have occurred.
84. A strategic agenda of systems integration between sector agencies and entities has delivered some planned results but decision making about capabilities appears to have become driven more by rising agency portfolio pressures rather than by a sense of sector mission.
85. ITOC has progressively become more integral to Customs' core business. Its performance meets expectations.
86. ITOC has not met Customs' expectation that it could evolve into a multiagency facility and hub for integrated border security risk management and protection operations.
87. Other agencies and entities which value highly their relationship with Customs, question the value they derive from ITOC even though their costs are more opportunity costs than fiscal.
88. Those with past or present experience of staff located in ITOC, have reservations about maintaining these deployments.
89. Some of the reservations derive from intrinsic factors, including quality of management, the work environment and conduct of business at ITOC. Others are extrinsic and systemic. Recent steps towards more participatory ITOC governance should help resolve the former, but may not be sufficient for the latter.
90. Accordingly, it is necessary to distinguish between improving matters within ITOC, which is a task for management, and recreating a sense of direction for border security / border protection, which is a sector governance matter and the role of the BSGG.

Recommendations and Suggestions

91. The 2008-13 Border Sector Strategy, which emphasises convergence upon a "single border management system" appears to be the only sectoral "roadmap" but its current status is unclear and its work streams (especially in regard to protection), whilst still apparently relevant, needs refreshment.
92. A BSGG strategy stocktake should explore those aspects of border security where risks are becoming more complex and crosscutting; identify where risk management

interdependencies are rising; and determine where correspondingly higher levels of inter-sectoral or cross-sectoral interoperability are needed.

93. The stocktake should also focus on defining outcomes which can be enhanced by deeper collaborations and function or process convergences delivering recognisable benefits.
94. The stocktake should inform and guide discussion and decisions about ITOC's future value proposition.
95. In particular, BSGG should form a view on data analysis and target development as a common sector function, on the merits of a co-located sector-serving data analysis capability and on its institutional shape and relationship to ITOC.
96. Pending that, Customs should not take decisions about ITOC's future management, location, configuration or capabilities which assume continuity of interagency participation along present lines.

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Annex A: ITOC Prehistory and Timeline

1989	A review by Gerald Hensley (“A Structure for Border Control in NZ”) advocates a structural merger to create a single border agency.
1990s	Customs builds a single integrated data base (“CUSMOD”) with automated capability to collect and analyse in real-time information from across its various specialised outputs; underpins new operating model based on applying risk management principles.
1999	The Border Services Review (“The Efficient and Effective Management of Border Services”) explores non-structural options for common or joint service delivery.
2000	Asylum-seeking phenomenon (unauthorised refugee movements by air and sea) trending upwards internationally and affecting Australia (unauthorised boat arrivals spike from 200 in 1998 to 3721 a year later). “Tampa” incident occurred in August 2001.
2000 onwards	NZ immigration, education and tourism policy settings change – rising numbers of authorised people movements across the border. New trade agreements require Customs to offer faster assurance services (rules-of-origin validations) to goods traders. Wider range of source countries.
2001	Following the 9/11 attack in New York and related terrorist events in Europe and East Asia, border security and security risk management became far more intense. The US in particular raised new assurance requirements for air and sea movements of goods and people. Globalised financial flows and internet-based communications were creating new pressures on border security in regard to its targets, both traditional (e.g. drugs) and expanding (e.g. people trafficking) for organised crime.
2002	The National Maritime Coordination Centre (NMCC) was established by Cabinet (part of civ/mil review – Maritime Patrol capability and later “Project Protector”). The NMCC to be standalone (operationally independent), club funded, collocated with NZDF (JFHQ-Trentham) but hosted by Customs.
2005	Customs commences a major structural review – “Project Guardian”. Decision to realign work streams to form a central Intelligence, Planning and Coordination Group (IP&C).
2006 (June)	A new National Targeting Centre (NTC) based at Mangere was established.
2006-07	SSC Review sector governance (not structural). Recommends new CEO level sector governance group (BSGG).
2007 (April)	Cabinet considers the review; rejects single border agency, endorses a collaborative approach by autonomous agencies aimed at a single border management system.

2007 (October)	Cabinet approves new governance and strategic work programme; TOR for BSGG promulgated 17 Oct 2007.
2007	ODESC review; NMCC funding and administrative accountabilities shift to Customs.
2008 (July)	BSGG issues a five year Border Sector Strategy.
2008	Election and change of government.
2009	Smartgate (facial recognition for air passenger processing).
2009-10	IP&C review by Customs CEO/SLT. ITOC proposal scoped and project development approved (March). Relocation to Auckland CBD from Mangere set for December 2010.
2011 (July)	Ministry for Primary Industries established by departmental amalgamation.
2011	ITOC operations commence at CBD location. Officially opened by the PM in September.
2011-12	ATS-G, an advanced passenger screening/profiling tool (originally provided to Customs by US for RWC) fully deployed.
2012 (July)	MBIE (includes Immigration NZ) established by departmental amalgamation.
2013	Joint Border Management System and Trade Single Window Project. MPI/Customs common IT platform/shared services for import/export of goods. Also changes in internal workflow management and investment planned for new risk assessment and intelligence tools –“R&I” programme (funded under BPS).
2014	IP&C group restructured to incorporate investigations and response functions becoming Intelligence, Investigations and Enforcement (II&E). ITOC presently belongs to this group.

Annex B: Terms of Reference and List of Agencies Consulted

ITOC Review: Terms of Reference

Purpose

1. The Integrated Targeting and Operations Centre (ITOC) was designed to bring together multiple agencies in one location to better facilitate the targeting and treatment of risks presented to New Zealand's border.
2. The purpose of this review is to identify and report on the operational effectiveness of the ITOC and, capitalising on the work done to date, determine what next steps are needed to ensure ITOC remains fit for purpose and of value to the partner agencies.

Background

3. The ITOC was officially opened by the Prime Minister on 02 September 2011 and has continued to evolve and develop since this time.
4. The ITOC was designed to bring together multiple agencies in one location to better facilitate the targeting and treatment of risks presented to New Zealand's borders. Co-locating the targeting and operational planning and coordination functions should improve the capability to assess threats and to target risks to the border, and respond to these more effectively and efficiently. The ITOC is also responsible for maintaining an awareness of daily activity at the border, providing a 24x7 communications hub and providing support to operational activity as required.

Situation

5. The ITOC has been operational in its current state for over four years and over this time the number of partner agencies has increased. It is appropriate that the use and operational effectiveness of the centre is reviewed. A review should provide the opportunity for the ITOC partner agencies to increase the level collaboration and coordination to maximise the benefits for all partners. This review also provides an opportunity to identify potential overlaps or duplication in similar government agencies.

Objectives

6. The review should address the following points and make recommendations:
 - a. Consider the original purpose and objectives of the ITOC and determine whether these are being met;
 - b. Assess how the ITOC reflects or integrates with the current and emerging strategic priorities of partner agencies;
 - c. Determine if there are impediments to the efficient and effective operation of the ITOC;
 - d. Determine the level of effectiveness of the ITOC's resources and capabilities, including potential performance measures, to inform partner agency investment in the future;

- e. Consider the future purpose and role of the ITOC – ‘where to next’;
- f. Consider how the governance, organisational arrangements, policies and procedures of the ITOC could be improved to better serve the border sector and related regulatory, law enforcement and security needs and requirements;
- g. Consider the alignment of the ITOC with the National Security System and with other joint intelligence, targeting and coordination centres, including the National Intelligence Centre, the Gang Intelligence Centre, the Australian National Border Targeting Centre and the National Maritime Coordination Centre.

Proposed Scope

7. The review will be informed by the experience of ITOC partner agencies and customers and by operational level staff and senior representatives of the ITOC member agencies.
8. The review will not cover the individual partner agency products, deliverables or workflows except where they are directly linked to the broader ITOC purpose and objectives.

Governance and Resources

9. The work is jointly commissioned by the ITOC partner agencies through the ITOC Governance Board. Recommendations from the review will be discussed and agreed with senior leadership teams (and other work groups) within the partner agencies as appropriate.
10. An external consultant will be commissioned to undertake the review.

Assumptions

11. The following assumptions are made:
 - a. Document and information will be made available to the reviewer as appropriate.
 - b. Key people within the partner agencies will be made available for interviews and/or workshops as appropriate.
 - c. The review will take into account change projects underway in each agency.

List of Representatives Consulted

Name	Agency	Position
Bill Perry	Customs	Deputy Comptroller, Operations
Robert Lake	Customs	Customs Councillor, Brussels
Jamie Bamford	Customs	Group Manager Intelligence Investigations and Enforcement
Anthony Davis	Customs	Manager Risk and Intelligence
Lloyd Smith	Customs	Manager ITOC (Acting)
Peter Lewis	Customs	Manager Auckland Airport
John Duxfield		(Former Customs) Group Manager Intelligence Planning and Coordination
Martyn Dunne	MPI	Chief Executive
Stephanie Rowe	MPI	Head of Intelligence and Operations
David Hutchison	MPI	Head of Intelligence and Operations (Acting)
Catherine MacGowan	MPI	Manager Intelligence
Carl McLennan	Police	National Manager of Intelligence
Stephen Vaughan	MBIE	Assistant General Manager, Intelligence and Risk
Karen Urwin	AvSec	Group Manager, Operations
Keith Manch	Maritime NZ	Chief Executive
NZSIS	NZSIS	Northern Region Manager

Annex C: Australian System

In May 2014, a new unitary agency of state, the Department of Immigration and Border Protection (DIPB), was formed by amalgamating the Customs and Immigration departments and services. The Australian Border Force was also subsequently established as the frontline operational entity of the Department and also reflects a greater focus on the border as a strategic national asset.

In July 2014, a new National Border Targeting Centre (NBTC) within the then Australian Customs and Border Protection Service (ACBPS) and co-located with the Strategic Border Command was established. The NBTC would operate under a charter (joint agency agreement) involving eight other federal partner agencies. In 2016, following a capability review of the integrated intelligence function (a key goal of the charter), it was determined that the NBTC should be retitled the Border Intelligence Fusion Centre and be organisationally re-positioned as a unit of the Intelligence Division of the DIPB to bring about closer alignment of the NBTC capabilities with the department's intelligence apparatus. The BIFC would be headed by a departmental Assistant Secretary.

The 2014 NBTC charter and joint agency accord are not new to New Zealand. Both in terms of concepts and principles, Australian system designers drew on the foundational (2009) documents for ITOC. Of course there are other differences, including between the Australian and New Zealand risk scape. But Australia has tackled the same underlying issues that drove the New Zealand strategy development in 2008/09 and more recently. The Reviewer therefore considered that Australian thinking about future border sector integration, particularly in the way questions of value and benefits are framed, can be helpful to NZ.

Because of this cross-fertilisation, the Australian NBTC Operating Model Overview (November 2015) follows a logic that may be more transferable than expected to a BSGG-led refresh of the New Zealand Strategy, as this Review recommends. Part nine of that document explores the way that benefits of integration or partial integration of border management functions and systems fall between the core Australian agency (DIPB/ACBPS) and partners, although not identically or contemporaneously.

Drawing upon Australian sources, the Reviewer developed (see Part 2) a set of indicative outcomes (benefits) for New Zealand border security to be delivered through a (refreshed) strategy and sector work programme built around the future value propositions developed during this Review.