



COMBATTING TRANSNATIONAL, SERIOUS AND ORGANISED CRIME

The threat is increasing

Organised crime groups get involved wherever they can make money

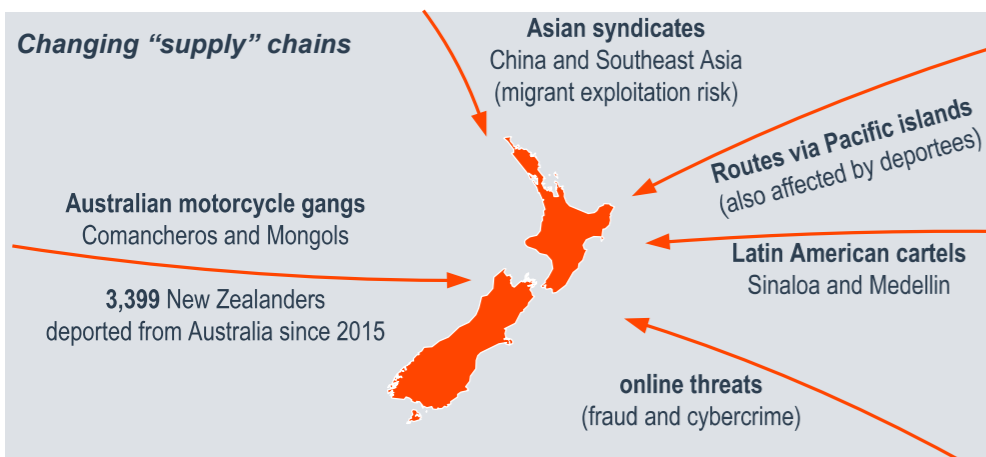
Annual profits are conservatively estimated at:

Drug crime **\$600m** + Fraud **\$1b** + Other crime **\$1.6b** At least

(This represents the upper limit of FIU estimates in the National Risk Assessment 2024)

Foreign organised crime groups are expanding into New Zealand

They are bringing new tactics of violence, intimidation and corruption of institutions we have not seen here before.



New Zealanders are left to pick up the pieces

The full scale of the harm caused by organised crime in New Zealand is difficult to quantify.

But every New Zealander is either a direct or indirect victim.

Migrant exploitation

Reports to MBIE of migrant exploitation **quadrupled last year**.

This can include people trafficking, forced labour and sexual exploitation of vulnerable groups.

You can't live in New Zealand without buying products or using services that contribute to migrant exploitation.

The volume of illicit drugs is out of control

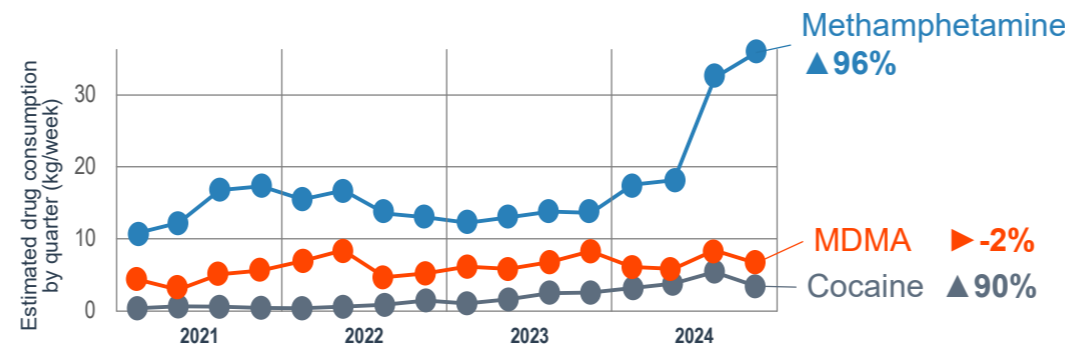
The volume of methamphetamine stopped by Customs has skyrocketed over the past decade.

55kg 2013/14 **4,813kg** 2023/24 That's nearly twice the amount each week than all of 2013/14.

Despite increased seizures at the border, drug consumption is increasing

We're stopping more than ever at the border, but more is getting through.

The estimated annual consumption of methamphetamine and cocaine nearly doubled between 2023 and 2024:



Source: NDIB, Drugs In Wastewater Monitoring Programme

Cyber fraud

To contrast the estimated \$1 billion in profits to organised crime: the cost to New Zealand victims of fraud in 2023 was **\$397 million** in financial losses, with related social costs of a further **\$989 million**. This is likely to increase.

Costs to government

It's expensive to investigate, prosecute and punish organised crime. Demand for specialist addiction services is now overwhelming.

We can't just arrest our way out of this problem. We have to chase the money in NZ and offshore.

We need decisive action

Even with the best of will, New Zealand's response to the organised crime threat is ineffective.

We have identified four challenges that must be addressed to make real progress in combatting organised crime.

1 Targeting financial flows

- ▶ Interrupting the financial channels of organised crime is crucial for diminishing New Zealand's attractiveness as a profitable market.
- ▶ We need to ensure the law is responsive to the threat.

2 The critical problem of information sharing

- ▶ A significant transformation is necessary—where vital intelligence on organised crime is proactively exchanged between government entities—and key partners in the private sector, such as banks, ports, and airports.
- ▶ If we are truly committed to dismantling these criminal organisations, we must engage in an earnest dialogue about balancing individual privacy rights with national security needs.

3 Partnering to protect

- ▶ An integrated, coordinated response, utilising expertise from both the public and private sectors, is essential.
- ▶ This may necessitate reevaluating traditional operational models to ensure regulatory agencies possess the necessary capabilities to effectively disrupt and dismantle organised crime networks.

4 Accountability for performance

- ▶ Government agencies operate independently, concentrating solely on their specific mandates rather than focusing on a unified national strategy.
- ▶ This disjointed approach undermines our collective capacity to combat organised crime.
- ▶ We must create accountabilities to guarantee that government agencies and the private sector meet their responsibilities.