

## Parliamentary Joint Committee on Law Enforcement

Inquiry into Australia's  
illicit drug problem:  
Challenges and  
opportunities for law  
enforcement

January 2023

Submission by the  
Australian Federal Police

## Introduction

1. The Australian Federal Police (AFP) welcomes the opportunity to make a submission to the Parliamentary Joint Committee on Law Enforcement *Inquiry into Australia's illicit drug problem: Challenges and opportunities for law enforcement*.
2. This submission draws insights from AFP operational experience in relation to illicit drugs, including: transnational serious organised crime (TSOC) investigations and disruptions, forensics analysis and criminal intelligence, partnerships with foreign law enforcement, and community policing experiences in the Australian Capital Territory (ACT). State and territory police also have jurisdiction to investigate drug offending, and often work in partnership with the AFP, particularly through the National Anti-Gangs (NAGs) Taskforce and joint operations.
3. TSOC is a national security threat, and the AFP remains very concerned about the harmful impacts of the high volume of illicit drugs reaching our communities. The Australian illicit drug market remains a lucrative and attractive target for TSOC groups.
4. The AFP's operational insights have revealed an alarming interoperability and cooperation between different crime groups and crime types. Firearms and violence are used to protect and expand drug operations, while money laundering legitimises the profits. The Australian Institute of Criminology reported that TSOC costs Australia up to \$60.1 billion in 2020-21, of which up to \$16.5 billion was specific to illicit drug activity.<sup>1</sup>
5. The AFP is uniquely placed amongst Australian law enforcement to take action across the spectrum of the illicit drug business model – we can attack drug traffickers' operations, logistics, finances and communications – both onshore and offshore.
6. In all elements of our work, the AFP's priority is to prevent harm to the Australian community. By disrupting drug importations offshore, the AFP prevents their harmful effects from reaching Australian communities. As part of a range of strategies, for example focusing on the leaders of TSOC groups who target Australia from overseas, the AFP can maximise impact on the criminal environment.
7. In the 2021-22 financial year, the AFP seized 21.6 tonnes of illicit drugs and precursors domestically (including at the border), resulting in \$7.2 billion in avoided harm to the Australian community. The AFP also assisted foreign law enforcement seize 20.3 tonnes of illicit drugs, including many importations destined for Australia, amounting to \$6.8 billion in avoided harm. Additionally, ACT Policing made 929 illicit drug seizures in 2021-22.
8. Law enforcement plays a critical role in dismantling the TSOC groups and responding to violent crime fuelled by the illicit drug trade. However, the problem of illicit drugs cannot be addressed by law enforcement alone, and the AFP recognises the need for a multi-faceted approach. Aside from reducing harm at the individual level, improved access to healthcare and social services is key to reducing the drug demand that fuels TSOC.

---

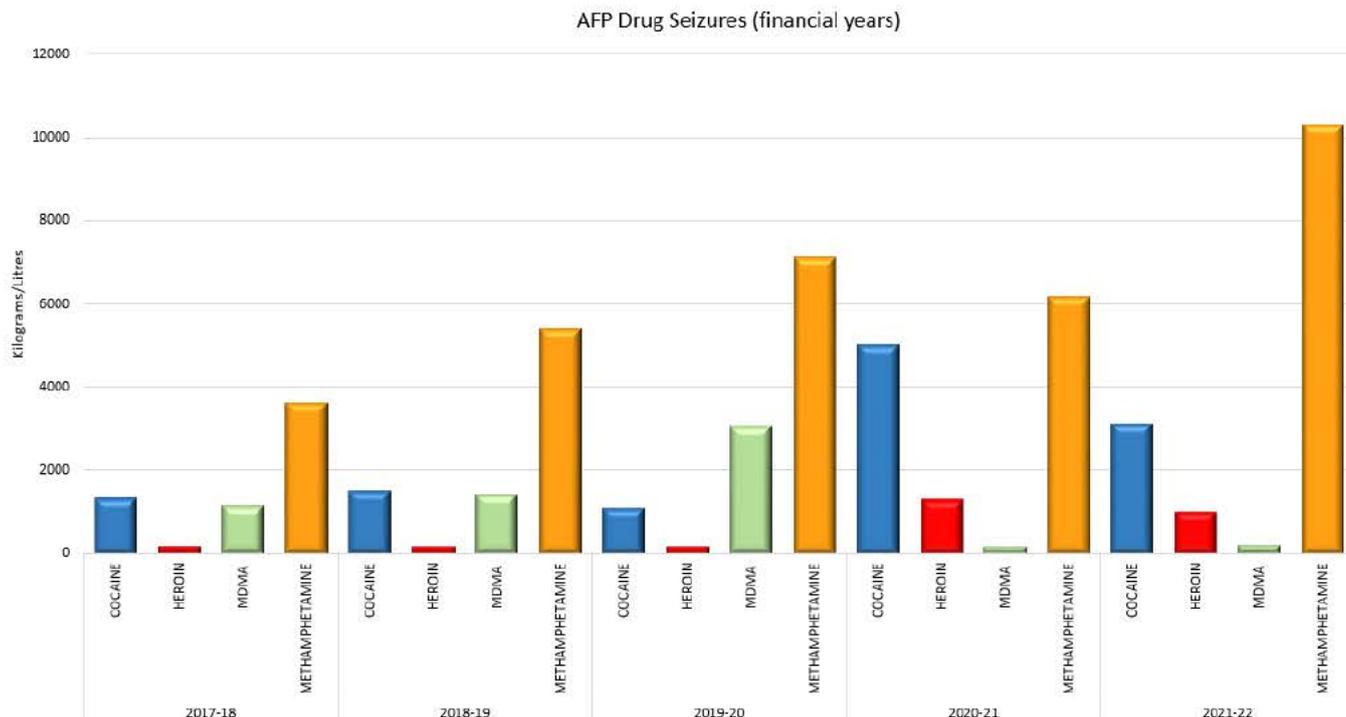
<sup>1</sup> Australian Institute of Criminology, *Estimating the costs of serious and organised crime in Australia, 2020-21*:  
[https://www.aic.gov.au/sites/default/files/2022-04/sr38\\_estimating\\_the\\_costs\\_of\\_serious\\_and\\_organised\\_crime\\_v2.pdf](https://www.aic.gov.au/sites/default/files/2022-04/sr38_estimating_the_costs_of_serious_and_organised_crime_v2.pdf)

## The threat environment and emerging trends

9. The AFP relies on a range of sources to inform our understanding of the threat environment. Projects such as the Australian Criminal Intelligence Commission (ACIC)'s National Wastewater Drug Monitoring Program (NWDMP) and Illicit Drug Data Report, and the Australian Institute of Health and Welfare's National Drug Strategy Household Survey give a sense of the scope of illicit drug consumption in Australia.
10. These sources are supplemented by AFP operational insights – data from drug seizures, intelligence shared by foreign law enforcement, evidence collected through investigations – providing a holistic view of the criminal threat environment and informing the AFP's prioritisation of law enforcement activity.
11. The AFP's experience indicates that Australia is an attractive target for TSOC groups – Australians are among the highest per capita users of illicit drugs in the world (cocaine and methamphetamine) and are willing to pay high prices. The majority of TSOC syndicates impacting Australia are involved in the drug trade and/or the criminal activities that support and enable it, such as money laundering, weapons smuggling and violence. The harms from these activities ripple out into the broader community.
12. TSOC groups are reliant on an exploitative and violent supply chain where gang related crime, shootings, intimidation and property destruction are all part of their business models. They use money laundering organisations to move and legitimise illicit profits, subverting, exploiting and distorting legitimate markets and economic activity. TSOC groups also rely on the assistance of professional facilitators and trusted insiders to evade detection, infiltrate legitimate supply chains and hide ownership of assets, undermining the integrity of Australia's systems.

### Insights from AFP drug seizures

13. Traditionally the AFP focused on the use of forensic case data for investigations, prosecutions, and ultimately, successful judicial outcomes. The AFP's Forensic Drug Intelligence database holds AFP drug seizure data dating back to 2000 and comprises over 58,000 seizures which have been referred to the AFP. A large variety of seizure characteristics are captured in the database including chemical characteristics (for example purity, manufacture methods, geographic origins and 'cutting agents'), source country, concealment method, transport method, physical drug profile (including logos, colours) and seizure weight.
14. More recently, the use of forensic case data for criminal intelligence purposes has helped to inform operational priorities and identified opportunities for prevention and disruption. Insights have been shared with stakeholders, including State and Territory police, ACIC, the Australian Border Force (ABF), the Department of Home Affairs, the Attorney-General's Department, Universities for research purposes, INTERPOL, EUROPOL and the United Nations Office on Drugs and Crime (UNODC). This approach supports AFP's mandate of maximising impact on the criminal environment.



## Methamphetamine

15. Methamphetamine remains the illicit drug posing the greatest threat to the Australian community. In the 2021-22 financial year, the AFP seized 10.42 tonnes of methamphetamine, a considerable increase from the 6.191 tonnes seized in the previous financial year, but consistent with the longer-term trend. The AFP anticipates that methamphetamine will remain the most seized illicit drug going forward.
16. In the 2020-21 financial year, the AFP saw a drop in the amount of methamphetamine seized, likely connected to COVID-19 restrictions in place at that time.
17. Analysis of methamphetamine seizures by AFP Forensics indicates that the majority is sourced from, and manufactured in, Asia (primarily Myanmar) and North America (primarily Mexico). Methamphetamine originating in Asia is typically manufactured using ephedrine/pseudoephedrine, whereas North American methamphetamine is primarily based on the use of 1-phenyl-2-propanone (P2P). Analysis of AFP seizures has seen a continued shift towards the use of P2P and its precursors, particularly in regions outside of North America.
18. Heavy machinery and large machinery parts being transported through the cargo stream continue to be the preferred method of concealment for large imports of methamphetamine. For example:
19. Under Operation NYORA, in August 2021, the AFP seized 556 packages of high purity methamphetamine concealed inside a 'flow separator' (a type of heavy machinery) shipped from the Philippines. This amounted to 551.96 kilograms of methamphetamine in total.
20. Under Operation IRONSIDE EAST-REGA, 495 kilograms of methamphetamine was identified in three separate seizures of helical gears shipped from the Republic of Korea.

21. In both examples, analysis and operational information indicated the methamphetamine was almost certainly manufactured in Mexico.
22. Another common method of transport, particularly for smaller imports, is the postal stream, likely due to a perception of lower risk of identification and traceability.
23. Methamphetamine seized domestically is much more likely to be adulterated than methamphetamine seized at the border. Common adulterants detected include Dimethylsulfone (DMS), N-isopropylbenzylamine, phenacetin and caffeine. Adulterants are commonly used to either increase the quantity, enhance the pharmacological and psychoactive effect or facilitate the administration of the drug itself.

### **Cocaine**

24. In the 2021-22 financial year, the AFP seized 3.117 tonnes of cocaine.
25. Analytical methods employed in cocaine chemical profiling allow AFP Forensics to infer the location where the coca leaf was grown (geographic origin), and how the extracted cocaine base was converted into cocaine hydrochloride (processing method).
26. Forensic analysis of cocaine seizures indicates that Colombia is the dominant region of origin for cocaine seized in Australia, accounting for 73.6 percent of AFP seizures analysed. Europe is routinely identified as a cocaine transshipment point to Australia in AFP investigations, however analysis suggests it is highly likely the cocaine was originally trafficked from South America. This is likely due to TSO groups diversifying trafficking routes to avoid law enforcement detection.
27. As with methamphetamine, the cargo stream is where the majority of cocaine is imported, with building and construction materials being a popular concealment method for large imports. Marine vessels have also been used consistently as a transport and concealment measure.
28. AFP cocaine seizures have an average purity of around 66 percent, which is considered relatively high. There is significant difference in purity levels between cocaine seized at the border and domestically (around 20 percent difference). Caffeine, lignocaine, phenacetin, procaine, DMS, and sugars are common adulterants.

### **Heroin**

29. In the 2021-22 financial year, the AFP seized 1.028 tonnes of heroin, a slight decrease from the 1.274 tonnes seized in the 2020-21 financial year, yet significantly greater than the 171 kilogram average across the three preceding financial years.
30. Forensic analysis of heroin seizures by the AFP indicates that the majority of heroin entering Australia originates from Southeast Asia. It is typically trafficked from manufacturing sites in Myanmar through land routes via Laos and Thailand to Malaysia and other South East Asian countries. From these countries, heroin is transported by multiple methods to Australia.

**Case study: Operation OLYMPUS**

In October 2021, the AFP made the single largest seizure of heroin in Australia, amounting to 451.56 kilograms. A consignment of ceramic tiles from Malaysia revealed anomalies, and on examination, some boxes contained heroin blocks instead of tiles.

31. Only a small amount of heroin seized originates from Southwest Asia, although international reporting indicates the existence of a maritime route from Afghanistan, Pakistan and/or Iran via the Maldives and/or Sri Lanka to Indonesia.
32. The cargo stream is the most significant method of heroin transport for large seizures, with a wide range of concealment methods, likely opportunistic in nature.
33. The AFP has identified an increase in the purity of heroin analysed in recent years (an average purity of 67 percent in 2021, compared to 55.3 percent in 2020). Seizures originating in the Southwest Asian region typically have a lower purity level (around 32 percent). Caffeine is a typical adulterant.

**Methylenedioxymethamphetamine (MDMA)**

34. In the 2021-22 financial year, the AFP seized 203 kilograms of MDMA. The AFP saw a reduction in MDMA seizures in the 2020-21 financial year, aligning with COVID-19 restrictions, including stay at home orders and the closure of venues where MDMA is typically consumed (e.g. nightclubs and music festivals). This trend continued in the 2021-22 financial year. Trends in total seizures may be impacted by large individual seizures. For example, on 9 October 2022, two men were arrested in Melbourne after the Victoria Joint Organised Crime Taskforce seized over 300 kilograms of liquid MDMA hidden in a consignment of wine bottles from France.
35. Western Europe remains the international hub for the manufacture and trafficking of MDMA, likely due to high consumer demand for MDMA in Europe. Individuals and TSOC groups involved in the importation of MDMA to Australia are likely exploiting the international mail stream, concealing MDMA in small objects such as books.
36. Purity variance of MDMA in Australia is a concern. The purity of MDMA seized by the AFP varies considerably – ranging between 10.8 percent and 78.8 percent in 2021.

**Precursors**

37. Regulation of the importation of precursors has a significant impact on the ability of TSOC groups to source the appropriate chemicals and thus manufacture illicit drugs domestically.

**Case Study: Impact of regulating precursors internationally**

In the 2020-21 financial year, the AFP seized 18,945 litres/kilograms of Gamma butyrolactone (GBL), a sedative that metabolises into Gamma-hydroxybutyrate (GHB) once ingested and can cause unconsciousness and death. GBL and similar sedatives are colloquially referred to as 'date rape' drugs.

In May 2021, China scheduled GBL as a precursor chemical to regulate its manufacture and distribution. This came into effect from September 2021. Consequently, Australian border seizures of GBL dropped significantly to 522 kilograms in the 2021-22 financial year, with no significant seizure from China since September 2021.

38. The *Criminal Code 1995* (Cth) (the Criminal Code) includes offences for importing and exporting border-controlled precursors (with a maximum penalty of up to 25 years imprisonment, scaled according to the amount of precursors) and possession of controlled precursors (with a maximum penalty of two years imprisonment). There are also a number of offences for pre-trafficking controlled precursors (which can carry a maximum of 28 years imprisonment for an aggravated offence).

**Emerging developments**

39. In February 2022, the AFP seized the largest shipment of fentanyl ever detected in Australia following a joint operation with the ABF. More than 11 kilograms of pure powdered fentanyl and 30 kilograms of methamphetamine were identified inside an industrial wooden lathe sent from Canada that arrived at the Port of Melbourne in December 2021.
40. This volume of fentanyl amounts to more than five million potentially lethal doses of the drug. Previously, Australian authorities had only ever detected illicit fentanyl importations in minor amounts - all less than 30 grams - with the first case in 2013.

**Case study: Operation IRONSIDE**

For almost three years, the AFP and the Federal Bureau of Investigation (FBI) monitored the communications of alleged members of TSOC syndicates over a dedicated encrypted communications platform. This provided valuable insight into the operating methods of drug syndicates.

As a result of Operation IRONSIDE, over **6.5 tonnes of illegal drugs** have been seized in Australia to date, and 53 tonnes internationally. 390 people were charged in Australia with over 2000 counts of offending.

Operation IRONSIDE also revealed an **alarming level of violence** being used by TSOC syndicates to protect their drug operations. 149 firearms were seized under Operation IRONSIDE, and 29 threats to life disrupted. For example, it is alleged that members of the Comanchero Outlaw Motorcycle Gang (OMCG) planned to murder an associate with a fully automatic submachine gun at a busy café strip, before the plot was intercepted on ANOM. The military-grade weapon was capable of firing more than 10 rounds a second.

Operation IRONSIDE revealed for the first time the concerning interoperability and cooperation between Italian Organised Crime, Middle Eastern Organised Crime, and OMCGs. Cartels, triads and mafia groups willingly work with each other, or work with Australian-based criminal syndicates, such as OMCGs – who also have a significant overseas presence.

The AFP worked with law enforcement over 16 countries to maximise the operational value of Operation IRONSIDE. Internationally, almost 1,000 people were charged as a direct result of Operation IRONSIDE information.

## The AFP's role in combatting illicit drugs

41. TSOC groups are importing illicit drugs into Australia on an industrial scale. The AFP's efforts to address Australia's illicit drug problem centre on supply reduction measures through disruption of TSOC syndicates and targeting large-scale illicit drug importations. This is reflected in the AFP's Ministerial Direction, which lists TSOC as one of the AFP's six operational priorities and explicitly references prevention, deterrence and disruption.
42. The AFP's Case Categorisation and Prioritisation Model (CCPM) provides a framework for determining prioritisation of investigations and resources. Under the CCPM, operational priority is given to investigations of imports or exports of multiple commercial quantity border-controlled drugs.
43. The AFP is the only Australian agency that can take action across the spectrum of the criminal drug business model – attacking drug traffickers' operations, logistics, finances and communications – both onshore and offshore. The AFP's TSOC Investigations Strategy sets out how we seek to impact the drug supply onshore and offshore from the point of origin by prioritising action against OMCGs, organised crime syndicates, enablers/facilitators and money laundering organisations. This strategy is supported by the AFP Biannual Drugs Priority Guide, which identifies the greatest illicit drug threats and sources of harm for Australia.
44. The AFP's priorities and strategic approach to illicit drugs is also guided by a number of Government-wide Strategies:
  - **National Strategy to Fight TSOC<sup>2</sup>** – In 2018, the Council of Australian Governments agreed to a framework for governments, the private sector, civil society organisations, academia, and the community to work together to secure Australia's national interests in combatting TSOC. The Strategy outlines four pillars: Integrated (using all available tools to fight TSOC), United (working effectively across all sectors), Capable (strengthening our national capability), and Evolving (being agile and ahead of the challenging threat).

---

<sup>2</sup> Australian Government, National Strategy to Fight Serious and Organised Crime, Commonwealth of Australia, 2018: <https://www.homeaffairs.gov.au/natsecurity/files/strategy-transnational-serious-organised-crime.pdf>

- **National Drug Strategy 2017-2026**<sup>3</sup> – The Strategy aims to reduce and prevent the harmful effects of alcohol, tobacco, and other drugs and commits Australia to three pillars of harm minimisation: demand reduction, supply reduction and harm reduction.
- **National Ice Action Strategy (NIAS) 2015**<sup>4</sup> –The NIAS includes actions to help governments, service providers and communities to work together to prevent people from using methamphetamine, help those who are using methamphetamine to stop, and to reduce the harms methamphetamine is causing to users and the community.

### **Disrupting TSOC groups and leaders**

45. AFP's criminal intelligence indicates that TSOC leaders are highly adaptable and resourceful, actively scoping opportunities to exploit potential vulnerabilities for their own criminal operations. They intentionally position themselves offshore to expand their operations and strategically position elements of their criminal enterprises overseas to increase their control, influence and share of illicit markets. They also seek to operate from permissive offshore environments. The AFP's drug strategy provides a framework for enhancing international and domestic cooperation and harm prevention with a focus on pursuing high value targets including TSOC leaders targeting Australia, Australian Priority Organisation Targets, and Regional Priority Organisation Targets. By targeting the leaders of TSOC groups who target Australia from overseas, through initiatives such as Operation GAIN, international taskforces, and the AFP International Network, the AFP maximises impact on the criminal environment.
46. The AFP works to identify and disrupt the TSOC groups who cause the most harm to Australia, in partnership with Commonwealth, state, and territory enforcement agencies. These groups include OMCGs such as the Comanchero, Italian organised crime groups such as the 'Ndrangheta, South American and Asian cartels, and significant money laundering organisations.

#### **Case Study: Operation GAIN**

Operation GAIN is an AFP-led taskforce targeting Australia's most entrenched and complex offshore TSOC threats. These are the most serious criminals impacting Australia, who conduct their organised crime businesses (including narcotics trafficking and money laundering) in perceived safe and permissive locations around the world. These individuals and groups are globally networked, sophisticated and highly resilient to law enforcement.

Operation GAIN utilises the full capabilities of the AFP, the Commonwealth and global partners to disrupt these offshore TSOC entities and groups - who direct tonnes of drugs towards Australia causing hundreds of deaths a year in the community and reaping significant illicit wealth. Since its inception in 2020, in addition to a range of disruption activities executed, Operation GAIN has achieved two arrests domestically and four arrests of internationally-based, very high-level TSOC targets.

<sup>3</sup> Department of Health, National Drug Strategy 2017-2026, Commonwealth of Australia (Department of Health), 2017: [https://www.health.gov.au/sites/default/files/national-drug-strategy-2017-2026\\_1.pdf](https://www.health.gov.au/sites/default/files/national-drug-strategy-2017-2026_1.pdf)

<sup>4</sup> Department of Health, National Ice Action Strategy 2015, Commonwealth of Australia (Department of Health), 2015: <https://www.health.gov.au/resources/publications/national-ice-action-strategy-2015>

## Targeting particular methodologies

### *Trusted insiders*

47. As part of their strategy to avoid detection, TSOC syndicates have been able to infiltrate and plant operators in key maritime and aviation facilities, which are used as gateways for the importation of illicit drugs into the country. To combat the threat of border-controlled drugs entering Australia, the AFP has actively pursued criminal syndicates with associates embedded in the supply chain.

#### **Case study: Operation DEMONAX**

In 2018, as part of Operation DEMONAX, the AFP in partnership with ABF, New South Wales (NSW) Police Force, ACIC and the Department of Home Affairs, conducted investigations into members of a drug syndicate who were importing 228 kilograms of cocaine into Australia.

During the investigation, officers were able to identify trusted insiders who were employees of a Sydney International Airport service provider and had used their security-restricted airside access to import cocaine through the baggage holds of selected international commercial flights. After extensive investigations, officers arrested members of the drug syndicate, including a trusted insider.

AFP investigators were able to intercept packages of cocaine, stopping their distribution into the community and preventing harm. In addition, a total of \$6.7 million in cash was seized and confiscated under the *Proceeds of Crime Act 2002* (Cth), and in February 2022 the ringleader and the trusted insider were incarcerated for 28 and 23 years respectively.

48. Recognising the trusted insider threat, the AFP has developed a special taskforce, Operation CENTINEL, which pools resources from key partner agencies to drive strategic and operational intelligence on Australian supply chain threats and vulnerabilities, with the objective of driving multi-agency treatment activities and targeting packages to remove trusted insiders from all levels of the supply chain, ensuring that the criminal 'back doors' are permanently closed.

### *Parcel post stream*

49. Across the major illicit drug types imported into Australia, concealments in cargo shipments is most common for large imports and accounts for the bulk of total drugs. Smaller amounts of drugs are typically imported through the parcel post, the frequency at which they can be imported with lower risk of detection is a significant threat. Suppliers have been known to set up elaborate drug syndicate/supply chains through the parcel post stream.

50. In early 2022, the AFP in collaboration with ABF and Australia Post opened the National Forensic Rapid Laboratory at the Australia Post Clyde International Mail Centre (which receive 80 percent of Australia's international mail). The laboratory facilitates rapid on-site identification of illicit drug items sent from overseas with the ability to share intelligence in real time. This capability can also be deployed interstate and internationally when required.

### **Domestic partnerships**

51. Domestically, the AFP works closely with partners to maximise intelligence insights and capabilities, leveraging our unique offshore reach and international relationships.
52. In addition to the bodies of work mentioned above, the Joint Organised Crime Taskforce (JOCTF) consists of members of the AFP, ABF, ACIC, Department of Home Affairs and state and territory police. JOCTFs are established in Queensland, Northern Territory and Victoria to investigate, prosecute, deter and disrupt serious and organised crime, including illicit drugs. JOCTFs allow for cross-jurisdictional investigations of serious organised crime, and the coordination of resources, legislative powers and experience across agencies.
53. The AFP lead NAGS was established in 2013 to detect, deter, and disrupt the activities of outlaw motorcycle gangs. To-date the NAGS has led to:
- Arrest of over 1,500 offenders;
  - Seizure of over \$18 million cash; and
  - Seizure of over 2.5 tonnes of illicit drugs and precursors, with results crossing all states and territories in Australia.

### **International Partnerships**

54. The AFP's foremost priority is attacking illicit drug manufacture and exportation at the source of origin, or transit point, before it can cause harm to the Australian community. The AFP works collaboratively with international jurisdictions to take the fight against drugs offshore, targeting high profile TSOC figures offshore and ensuring that illicit drugs are seized at the earliest opportunity, reducing the supply to Australia.
55. The AFP influences international law enforcement efforts through membership of key international bodies including INTERPOL, Europol, and the Five Eyes Law Enforcement Group (FELEG).
56. In 2021, the AFP Commissioner assumed the role of Chair of the FELEG, and has used this opportunity to build on FELEG's crucial role in sharing intelligence and facilitating global criminal investigations with like-minded countries. The AFP continues to work closely with FELEG partners on leads generated from Operation IRONSIDE.
57. The AFP also leverages its International Network with 80 officers across 35 international posts in 29 countries (note, this does not include AFP's police capacity building programs across the Pacific). These officers have broad roles including strengthening strategic international partnerships, police-to-police information exchanges, sharing knowledge and capability through training delivery, facilitating operational outcomes including international disruptions and sharing of law enforcement intelligence insights.
58. The AFP has established a number of joint taskforces with foreign law enforcement agencies in critical countries in the illicit drug supply chain, such as:
- Taskforce BLAZE, a joint investigation taskforce between the AFP and China's National Narcotics Control Commission. Since its inception in November 2015, Taskforce BLAZE has seized 26 tonnes of drugs and precursor chemicals, \$2 million in proceeds of crime and made 299 arrests.

- Taskforce STORM, a joint operation between the AFP and Thai law enforcement authorities. Thailand is used by OMCGs as a permanent and temporary base for planning and preparing criminal activities. Taskforce STORM has seized over 10 tonnes of drugs and precursor chemicals and AUD\$25 million of criminal assets.
- Taskforce TYCHE was established in November 2019, and is a strategic working group, which provides collaboration between participants including the effective and timely sharing of information and intelligence to target high value targets. It comprises representatives from the AFP, the ACIC, the Netherlands Police and the National Prosecution Service of the Netherlands. Taskforce TYCHE has seized 850 kilograms of MDMA, 548 litres of MDMA oil, 26 kilograms of ketamine and 65 tonnes of precursor chemicals. It has also resulted in the arrest of 16 individuals and has removed one child from harm. Taskforce TYCHE has also dismantled two illicit laboratories in the Netherlands producing illicit drugs destined for Australia and other international markets.
- Strike Force DRAGON with Cambodian National Police has seized over 3.3 tonnes of drugs and precursors and made 61 arrests since its establishment in June 2016. This Strike Force is increasingly relevant as the AFP has identified TSOC groups increasingly targeting Cambodia for synthetic drug manufacture.

#### ***Case study: Taskforce BASILISK***

Colombia is the dominant region of origin for cocaine seized by the AFP. Recognising the threat posed by criminal syndicates seeking to operate from Colombia, the AFP established Taskforce BASILISK to disrupt and dismantle crime operations at the source. By partnering with the Office of the Colombian Attorney General (Fiscalía), the AFP supports Colombia's own efforts to counter sophisticated drug syndicates. Taskforce BASILISK's success has been built upon deep person-to-person relationships between the Fiscalía and AFP officers stationed in Bogotá. The AFP has provided mentoring and on-the-job training to Fiscalía officers, including advice across technical areas, police tradecraft, investigatory techniques, surveillance and human source management.

Taskforce BASILISK has been involved in several disruption and enforcement operations in Colombia. In July 2021, taskforce members investigating a Colombian syndicate travelled with Colombian army and naval forces to a remote jungle site used by the syndicate. The taskforce discovered numerous explosive devices – landmines and booby-traps – that were wired with trigger mechanisms attached to foliage used for aerial camouflage. Once the location was secured, taskforce members located 6 barrels of approximately 1,300 litres of precursor chemicals.

Removal of these precursors from the supply chain prevented the potential production of approximately 3 tonnes of cocaine. Had it reached Australia's shores, this volume of illicit drugs had the potential to generate societal harm amounting between \$750 million to \$1.2 billion.

### **AFP Forensics capability**

59. AFP Forensics supports frontline operational members by developing and delivering unique science and forensic technical intelligence capabilities to solve complex investigative issues. Forensics members provide support to illicit drug investigations by examining drug seizures, weighing seized drugs, examining physical characteristics of drug concealments and packages and linking seizures through physical observations.
60. AFP Forensics in partnership with the National Measurement Institute has a chemical drug profiling capability which has evolved over years. The capability can provide intelligence on source of plant based illicit drugs like heroin and cocaine and the synthetic routes for the manufacture of synthetic drugs like methamphetamine and MDMA. The intelligence is used to complement operational intelligence to generate investigative opportunities. Drug samples from overseas seizures are procured through assistance of the AFP International Network and international partners. These samples are compared with AFP seized samples to generate intelligence to support offshore disruption activities at the source.
61. Even in highly controlled environments, the extraction of illicit substances poses an active health risk to AFP members. When dealing with substances such as fentanyl, AFP Forensics officers wear protective biohazard suits when handling the powder to protect against any inadvertent skin contact which could cause harm, loss of consciousness or even death.
62. Serious drugs are rarely sold in their pure form; drug traffickers use adulterants (for example, sugar) to increase their profit margin. Under the current legislative framework, the AFP is required to determine the purity and net weight of controlled drugs and border-controlled drugs to support the prosecution of serious Commonwealth drug offences. In other jurisdictions there is not a requirement to determine purity, rather a requirement to determine only the net weight of a mixed substance. This approach aligns with the criminal intent of the offender who is selling the drug for the total weight (rather than the percentage of pure drug in the mixture). It would also reduce the significant resource burden on the AFP inherent with the current requirement, mitigate risks to occupational health and safety of forensic officers, and align with international approaches.

### **Money Laundering**

63. The illegal importation, manufacture and distribution of harmful drugs in Australia generates billions of dollars in profits for organised crime groups. As such, money laundering is a key component of the criminal drug business model and Money Laundering Organisations (MLO's) specialise in the movement and legitimisation of drug profits for TSOC groups.
64. The AFP money laundering strategy centres on domestic and international investigations to target the high risk money laundering activities of global MLO's and self-laundering TSOC syndicates to disrupt the criminal drug business model.

### **Criminal Assets Confiscation Taskforce (CACT)**

65. Targeting the illicit profits generated from illicit drug trafficking activities, through confiscating both the instruments and proceeds of crime is one of a number of strategies deployed by the AFP-led CACT to disrupt organised criminal activity and deliver maximum impact to the criminal environment.

66. Established in January 2012, the AFP-led CACT brings together the resources and expertise of the ACIC, Australian Taxation Office, Australian Transaction Reports and Analysis Centre, and the ABF. Together, these agencies trace, restrain and ultimately confiscate criminal assets.
67. The CACT seeks to deprive persons and criminal groups of the proceeds, instruments and benefits of their offending, to punish and deter persons from breaching laws, and to undermine the profitability of criminal enterprises. The CACT disincentivises criminality, such as illicit drug trafficking activities, by depriving organised crime syndicates of profits, whilst also preventing reinvestment in further criminal activities.
68. In February 2020, the AFP Commissioner prioritised criminal asset confiscation and set a target of restraining \$600 million of assets by 2024. In August 2022, the CACT surpassed this target two years ahead of schedule. In the decade since its commencement, the CACT has restrained over \$1.2 billion in criminal assets, and more than \$500 million has been forfeited to the Commonwealth.
69. The proceeds of confiscated assets are placed into the Commonwealth's Confiscated Assets Account (CAA). Funds in the CAA are then redistributed by the Attorney-General to fund programs for crime prevention, law enforcement, treatment and diversionary measures related to illicit drugs, and other community-related safety initiatives.

***Case study: Operation TETHYS***

Operation TETHYS commenced in 2020 after a consignment of hydraulic rams imported into Australia from South Africa were found to contain 144 kilograms of cocaine. The shipment was tracked to a Sydney warehouse, resulting in the execution of search warrants and the arrest and charge of a person with one count of attempting to possess a commercial quantity of unlawfully imported border controlled drugs. On 12 April 2022, the offender was sentenced to 11 years' imprisonment (with a non-parole period of 6 years).

In August 2022, the AFP-led CACT obtained restraining orders in the NSW Supreme Court over the man's property – in total, three real properties, 47 vehicles (including 35 classic cars), cash, gold, platinum and silver was restrained. The property has an estimated combined value of \$5 million. On 12 October 2022, the bulk of this property was forfeited to the Commonwealth, effectively preventing it from being reinvested in further illicit drug operations.

## ACT Policing

70. Under the ACT Policing Agreement, the AFP is engaged by the ACT Government to deliver policing services to the ACT.
71. In January 2020, personal possession of cannabis was decriminalised in the ACT for people aged 18 or above. Although still illegal, decriminalisation was introduced for adults so that they may access health support outside of the justice system. As a result, ACT Policing may issue a Simple Cannabis Offence Notice when discovering a person in possession of cannabis, which requires the individual to pay the offence notice amount and discharges the offence without further action.
72. Subsequent analysis by ACT Policing of roadside drug test results, road accidents (including fatalities) and related intelligence holdings have demonstrated a marked increase in the use of cannabis in the ACT since decriminalisation.
73. On 20 October 2022, the *Drugs of Dependence (Personal Use) Amendment Act 2022* was passed in the ACT Legislative Assembly. The amendments remove criminal sanctions for those in the ACT found to be in possession of an amount of an illicit substance deemed to be within the limits for personal use. These amendments will commence on 28 October 2023. These amendments will mean a police officer who finds a person in possession of the listed drugs of dependence in a quantity less than the prescribed personal possession limit may issue that person with a Simple Drug Offence Notice. If the person pays the offence notice amount, the offence is discharged without further action.
74. ACT Policing Drugs and Organised Crime Team (DOCT) impacts on the criminal environment through the targeting of persons involved in criminal activity, which enables the Criminal Assets Investigation Team to restrain and seize proceeds of crime. The restraint and forfeiture of proceeds of crime is often seen to have greater impact on organised crime activity than facing criminal prosecutions only.
75. DOCT has seized nearly 400 kilograms of illicit drugs over the past three years, preventing these harmful drugs from entering the ACT community. These seizures in turn have also impacted the ability of organised crime networks to profit from the sale of illicit drugs.
76. At the time of the submission, ACT Policing recorded 929 illicit drug seizures in 2021-22:

Number of individual drug seizures					
Drug type	2017-18	2018-19	2019-20	2020-21	2021-22
Meth/Amphetamine	408	347	413	262	154
Heroin (Opioids)	82	69	70	50	30
Cannabis	811	703	659	389	205
Cocaine	246	135	117	147	86
MDMA (Ecstasy)	195	107	124	63	25
Other	343	351	426	470	429
<b>Total</b>	<b>2,085</b>	<b>1,712</b>	<b>1,809</b>	<b>1,381</b>	<b>929</b>

\* Due to a lag in confirming drug types by ACT Government Analytical Laboratory, the 2021-22 figures are not a true reflection of the number of drugs seized as any missing or blank confirmed drug type(s) are excluded from the total number of seizures. Year on year comparisons are therefore, not recommended as drug seizure statistics are subject to significant revisions each year. Therefore, the AFP does not provide any comment in this submission about ACT seizure trends.

77. In November 2021, DOCT commenced an illicit drug importation investigation, codenamed Operation Villiers, following the interception of 4.5 kilograms of Methylamphetamine consigned to the ACT:

- The quantity is significant for the ACT and suggested the intended recipients were a syndicate or organised crime group.
- As a result of an ongoing investigation, two people - a male and female, have been charged and the matter remains before the courts.

78. In November 2021, DOCT commenced an illicit drug importation investigation, codenamed Operation CASSINI. As a result of investigations conducted under Operation CASSINI, police executed search warrants resulting in the seizure of 728 grams of methylamphetamine, \$40,000 cash, a handgun and ammunition, stolen identification materials and steroids. A person alleged to be a high-ranking member of an OMCG has been charged with drug trafficking, firearm possession, money laundering and possessing stolen property. This matter is currently before the court.

79. ACT Policing has not identified any significant issues in implementing the ACT Government's cannabis laws that came into effect in January 2020 (discussed further below).

80. The ACIC's NWDMP Report 17 shows, since the decriminalisation of cannabis, the ACT has seen a 20 per cent increase in the use per 100,000 ACT residents which is the second highest across all capital cities.

<b>Cannabis related statistics</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Drug Charges cleared by Arrest	257	215	157	152	114
Incidents involving cannabis*	891	936	1040	713	618
Offences Reported at incidents involving cannabis*	996	994	1023	583	455
Number of Charges for Cultivating Cannabis	33	19	16	14	17
Number of Charges for Cannabis Possession	411	315	87	31	18
Number of persons apprehended for drug driving related offences	971	897	913	490	420

\*Based on incidents where in the opinion of the case officer cannabis consumption was involved in the case. This opinion could be based off a number of factors such as observation, known intelligence, involvement of known users or seizures.

Source: PROMIS as at 9 January 2023

81. The impact of the recent decriminalisation of the most recent illicit substances law reforms remains to be seen, as the laws have not yet commenced. ACT Policing is working closely with the ACT Government to ensure the operational response is compatible with the harm minimisation intent of the legislation. Monitoring illicit drug use through the National Wastewater Report for example will become critical to understanding whether the amendments result in an increased demand for and supply of these substances.

## Harm reduction strategies

### ACT Illicit Drug Diversion Program

82. ACT Policing manages an Illicit Drug Diversion Program which provides intervention and education to people who engage in consuming drugs. This program aims to reduce harms

associated with drugs by giving people an incentive to access additional services they may require for their health. In 2021/22, ACT Policing completed 112 referrals to the Illicit Drug Diversion Program.

83. The current mechanism for ACT Policing to divert individuals charged with drug offences away from the criminal justice system and into health-led programs relies on existing offences to be 'cleared'. Following amendments to decriminalise personal possession (as a criminal offence will no longer have been committed), should a person not attend the recommended drug diversion program, there will be little to compel them to complete it.

### **ACT Fixed Site Drug Checking**

84. In July 2022 the ACT Government commenced a six-month pilot for a fixed-site drug check facility which is open two days a week for a three-hour period each day. This trial has been extended until August 2023 to capture a full twelve-month period. ACT Policing has been actively engaged with the ACT Government and other stakeholders in the establishment of this facility and continues to support this harm-minimisation Government initiative.

85. Attending individuals provide a sample of a drug they intend to take for analysis by chemical analysts, and the results are discussed with trained counsellors, alcohol and other drug workers or peer drug educators. The service has averaged 75 samples per month with approximately 10-20 per cent of samples tested being voluntarily discarded by individuals due to the substances found.

86. The fixed site increased its operating hours in the days leading up to a music festival in November 2022 which saw a significant increase in individuals wishing to utilise the service.

### **Drugs and Alcohol Sentencing List**

87. The Drug and Alcohol Sentencing List is a collaborative approach between the ACT Courts, Corrective Services, Health, Director of Public Prosecutions and ACT Policing to formulate a treatment order and ensure programs are available and suitable for individual circumstances.

88. It is a sentencing option for people whose drug and alcohol use has contributed to their offending. This was developed to offer an alternative approach to rehabilitating offenders whose crimes are related to drug or alcohol dependency and is aimed to improve people's health and wellbeing, reintegrate them into society and reduce criminal offending.

### **AFP media strategy**

89. The AFP is active across five major social media channels and engages closely with media outlets and journalists. Information about AFP activities to address illicit drugs is communicated to the public in a variety of ways. The bulk of AFP's drug related posts are informative – they include the details of an arrest or incident, often including images - a "show, don't tell" approach.

90. The AFP's approach to media on illicit drugs has evolved over time through careful review of public reactions to, and engagement with, AFP content. Instead of employing scare tactics – we look to engage the community on the issue of harm and explain the reasons for our enforcement activities. We recognise that if our content isolates or pushes members of the

community away, they are less likely to engage with police and absorb the information provided through AFP media channels.

## Decriminalisation

91. Decriminalisation of illicit drugs is ultimately a matter of policy for governments, rather than police. The AFP's operational experience, which crosses both community policing operations and larger scale TSOC investigations, may provide useful insights. Police witness first-hand the connections between illicit substances and the cycles of crime, spanning individual or community-level harm (such as increased family violence and road trauma) through to sophisticated, and often violent organised crime, placing the broader community's safety at risk.
92. From a community policing perspective, the AFP supports in-principle the policy intention of diverting individual drug users from the criminal justice system toward a health-focused response. However, where users are not diverted to health-led response, or the health-led response is ineffective because of lack of support services, decriminalisation is likely to have unintended consequences for law enforcement.
93. ACT Policing takes a harm minimisation and diversionary approach to illicit drugs, with resources focused on targeting drug trafficking and responding to violent crime, which can occur in parallel with drug use.
94. When the *ACT Drugs of Dependence (Personal Use) Amendment Act 2022* commences in October 2023, certain quantities of currently illicit drugs will be decriminalised under ACT law including:

Drugs in Table 170 Drugs of Dependence (Personal Use) Amendment Act 2022	Existing ACT trafficable quantity	Commonwealth trafficable quantity (equal to or more than)	"Small quantity" under new amendments
MDMA (ecstasy)	10g	0.5g	5 Discrete Dose Units (DDU) up to 1.5g (mixed weight)
Amphetamine	6g	2g	1.5g (mixed weight)
Cannabis (dried)	300g	250g	50g
Cannabis (harvested)	300g	250g	150g
Cocaine	6g	2g	1.5g (mixed weight)
Heroin	5g	2g	1.0g (mixed weight)
Lysergic Acid	0.003g	-	5 DDU up to 0.001g (pure weight)
Lysergide (LSD, LSD-25)	0.003g	0.002g	5 DDU up to 0.001g (pure weight)
Methylamphetamine	6g	2g	1.5g (mixed weight)
Psilocybine	2g	2g	1.5g

95. The consideration of this Bill by the ACT Legislative Assembly highlighted the need for adequately resourced and 24/7 available health-led services to respond to community needs. During this process, ACT Policing emphasised the importance of ensuring that those individuals diverted away from the criminal justice system can be connected and engaged effectively with health and support services.
96. The AFP also notes, under the ACT legislation, the decriminalised personal use amount for MDMA (1.5g) is inconsistent with the Commonwealth threshold in the Criminal Code Regulations, which criminalises 0.5g of MDMA. This is three times the Commonwealth trafficable amount.
97. The legal ambiguity presented by the decriminalisation of cannabis in the ACT in 2020 was, to some extent, addressed by ACT Policing adopting internal governance to clearly communicate to officers that whilst the Commonwealth law remains available to apply, the ACT law is encouraged to be deferred to, to give effect to the ACT Government's policy intent.
98. ACT Policing is engaging with the ACT Government to plan for the commencement of the decriminalisation of personal use of illicit drugs in October 2023. ACT Policing will ensure the operational response is compatible with the harm minimisation intent of the legislation, and any changes to the criminal justice, health and support service systems required, while also preparing for any changes in the level of supply of illicit drugs to the ACT that may result. ACT Policing will assess the potential impacts of the new law on its members from a training and work, health and safety perspective and make any necessary adjustments. ACT Policing will work with the ACT Government on communicating the upcoming changes to the community, with an anticipated area of focus in public messaging on road safety.
99. Drug use can drive crime, and ACT Policing data demonstrates a correlation between drug use and other offending, including property crime, assaults and driving offences. Anecdotally, ACT Policing members report that they observe crime in "peaks and troughs" in line with substance users "highs and lows". For instance, individuals are observed by police to commit crime in line with their "highs" from methamphetamine. Offenders have told police that they commit more crime to fund their drug habit due to either a lack of supply of that drug, or lower drug purity (meaning, where the "high" does not last as long as illicit substances of higher purity).

## Conclusion

100. The AFP is committed to protecting lives, livelihoods and Australia's way of life.
101. The AFP supports a holistic approach to harm minimisation from illicit drugs. Reducing demand for illicit drugs will enhance community safety by making Australia less of a target for TSOC groups. TSOC groups are actively targeting Australia due to our high consumption rates and willingness to pay high prices for illicit drugs. Given the correlation between demand and supply, coupled with the opportunistic and adaptive nature of these TSOC groups, the AFP expects TSOC will likely be highly responsive to any increase in demand for

drugs in Australia. As such, the AFP recognises the critical importance of demand reduction initiatives in addressing Australia's illicit drug problem and countering TSOC.

102. AFP's efforts to disrupt supply by stopping drugs before they reach Australia's shores, also contributes to harm minimisation by pursuing drug importers and traffickers, and reducing the availability of drugs in the community. In the last financial year alone, the AFP's efforts avoided \$7.8 billion in harm to the Australian community and economy through the seizure of illicit drugs and precursors domestically and at the border. For families affected by drug abuse, and communities facing drug-fuelled violence and health issues, the harm prevented through AFP's disruption work cannot be quantified.