

PROACTIVE RELEASE

The following Cabinet paper has been proactively released by the Border Executive Board on behalf of the Minister of Customs, the Hon Jo Luxton:

Border Executive Board: Border Sector Strategy and Refreshing of Accountabilities

Date of release: 27 June 2023

The following documents have been included in this release:

Title of paper: Border Executive Board: Border Sector Strategy and Refreshing of Accountabilities

Title of minute: Cabinet Economic Development Committee

Minute of Decision DEV-23-MIN-0075

Border Executive Board: Border Sector Strategy and Refreshing Accountabilities

In Confidence

Office of the Acting Minister of Customs

Chair, Cabinet Economic Development Committee

Border Executive Board: Border Sector Strategy and Refreshing of Accountabilities

Proposal

- 1 I am presenting this paper as the Acting Minister responsible for the Border Executive Board.
- 2 This paper seeks to update the Border Executive Board accountabilities to reflect the change in the Government's response to COVID-19 and confirm the Board's first Border Sector Strategy. It also seeks Cabinet's agreement that ongoing responsibility for the Strategy be given to the Minister responsible for the Border Executive Board.

Relation to government priorities

- 3 This paper relates to the Government's priorities of: accelerating the economic recovery and laying foundations for the future; and providing strong and responsible leadership.

Background

- 4 The Border Executive Board was established in December 2020 under the Public Service Act 2020 as part of New Zealand's defence against COVID-19 and other risks. It is intended to help coordinate the management of New Zealand's borders, for example by assisting the relevant departments to:
 - 4.1 remove gaps in border processes
 - 4.2 ensure that future risks from people, goods, and craft arriving at the borders are addressed
 - 4.3 make strategic improvements to the border system.
- 5 The Border Executive Board started on 11 January 2021. The membership of the Border Executive Board is shown below with the operating framework in Appendix 1.

Remit (member) agency	Governance board member
New Zealand Customs Service	Comptroller of Customs (Chair)
Ministry for Primary Industries	Director-General of Primary Industries
Te Manatū Waka Ministry of Transport	Secretary for Transport
Ministry of Business, Innovation and Employment	Chief Executive
Manatū Hauora Ministry of Health	Director-General of Health
Ministry of Foreign Affairs and Trade	Secretary of Foreign Affairs

6 It is appropriate to amend the accountabilities assigned to the Border Executive Board by Cabinet due to the evolution of the Government’s COVID-19 Response. This paper also responds to the Cabinet directive for the Board to develop a Border Sector Strategy.

Refreshing the accountabilities to reflect the enduring nature of the Border Executive Board and management of health risks

7 The accountabilities set by Cabinet in 2020 reflected the significance of the Government’s response to COVID-19 and the value of strong enduring governance of New Zealand’s border.

8 The Border Executive Board considers its operating documents annually to ensure they are fit-for-purpose. In January 2023, the Border Executive Board agreed changes to the accountabilities and I support these changes as shown below. The changes do not alter the intent of the Border Executive Board. The accountabilities retain the importance of health being an integrated part of the border and ready for a new health event.

2020 Accountabilities	Rationale and proposed change
Strategic border system improvements, including developing a Border Sector Strategy, monitoring performance and user experiences across the system, advising on investment decisions for the border system, and delivering joint initiatives to build a safer and smarter border	No change proposed
Ensuring there are no gaps in the end-to-end border processes to integrate health risk management, particularly for a robust COVID-19 response while preparing to reopen the borders	Remove reference to COVID-19 and reopening of borders. Readiness for another event includes a COVID-19 variant of concern No gaps in end-to-end border processes, with health risk management integrated and the border ready to respond to significant events
Ensuring any gaps or future risks from people, goods, and craft arriving at the border will be addressed, where the risks are not already being managed by an existing agency or another government process	Revised wording includes opportunities and that facilitating the flow of people, goods and craft includes departing Risks from people, goods, and craft arriving and departing the border will be addressed and opportunities maximised, where these are not already being managed by an existing agency or other government processes
Managing the significant and pressing fiscal challenges that the sector is facing as a result of decreased revenues from cost-recovery activities through the COVID-19 pandemic	Remove reference to COVID-19 activity The border system is financially sustainable through the use of cost recovery and oversight of significant fiscal challenges such as inflation
-	Add a new accountability that reflects existing system leadership and being a point of contact for industry and government Provide leadership to facilitate business and a positive user experience with the border system

- 9 No change is proposed to Cabinet having the authority to set the accountabilities for the Border Executive Board.

Setting the first Border Executive Board Border Sector Strategy with future updates agreed by the responsible Minister

- 10 The Border Sector Strategy, shown in Appendix 2, has been developed in response to Cabinet's direction and as part of good leadership and governance. It is anticipated that the areas of shared interest will be reviewed annually, with the overall direction reviewed on a longer horizon.
- 11 It is proposed that Cabinet agree responsibility for updates to the Border Sector Strategy be devolved to the responsible Minister. This approach aligns with how departments set their strategic direction and engage with their responsible Minister on supporting the Government's priorities. Interdepartmental Executive Boards have the same statutory responsibilities as departments to produce a strategic intentions document. The Border Executive Board will continue to approve the Border Sector Strategy prior to Ministerial engagement.
- 12 Performance measures/indicators of success are being developed in 2023/24 and will be included in a supporting document. The Border Executive Board will begin work on its first strategic intentions document during 2023/24, having been granted a three-year waiver when it was established. The Border Executive Board work programme is included for information as Appendix 3.

Financial Implications

- 13 There are no financial implications. The Border Executive Board is funded by the member agencies. Delivery of activity to implement the Border Sector Strategy and the Border Executive Board work programme is funded by the member agencies, with support from the Border Executive Board Secretariat. Any additional funding would be sought through existing budget mechanisms.

Legislative Implications

- 14 There are no legislative implications.

Population Implications

- 15 There are no population implications.

Human Rights

- 16 There are no human rights implications.

Consultation

- 17 The paper has been consulted with the Border Executive Board members:
- 17.1 New Zealand Customs Service
 - 17.2 Ministry for Primary Industries
 - 17.3 Te Manatū Waka Ministry of Transport
 - 17.4 Ministry of Business, Innovation and Employment
 - 17.5 Manatū Hauora Ministry of Health
 - 17.6 Ministry of Foreign Affairs and Trade.

Communications

- 18 The Border Sector Strategy will be shared with public service agencies, released on the Border Executive Board webpages, and included in accountability documents.

Proactive Release

- 19 This paper will be proactively released on the Border Executive Board webpages, subject to appropriate redaction under the Official Information Act 1982.

Recommendations

The Acting Minister of Customs recommends that the Committee:

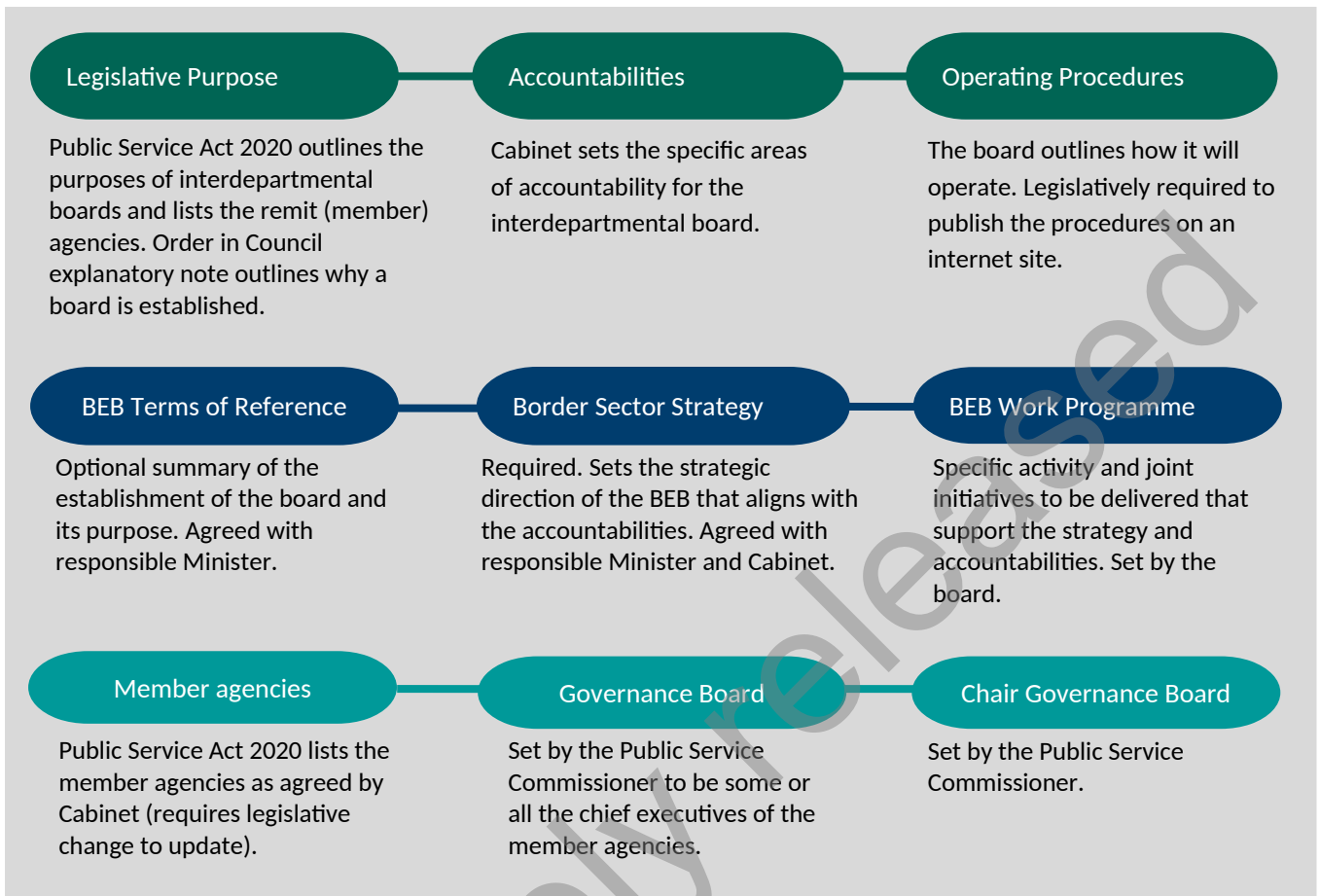
- 1 **note** it is timely to revise the initial Cabinet accountabilities set in December 2020 for the Border Executive Board to reflect the evolution of the Government's COVID-19 Response
- 2 **agree** the revised accountabilities of the Border Executive Board will be
 - 2.1 Strategic border system improvements, including developing a Border Sector Strategy, monitoring performance and user experiences across the system, advising on investment decisions for the border system, and delivering joint initiatives to build a safer and smarter border
 - 2.2 No gaps in end-to-end border processes, with health risk management integrated and the border ready to respond to significant events
 - 2.3 Risks from people, goods, and craft arriving and departing the border will be addressed and opportunities maximised, where these are not already being managed by an existing agency or other government processes
 - 2.4 The border system is financially sustainable through the use of cost recovery and oversight of significant fiscal challenges such as inflation
 - 2.5 Provide leadership to facilitate business and a positive user experience with the border system
- 3 **agree** the Border Executive Board Border Sector Strategy summary shown in Appendix 2
- 4 **agree** the responsible Minister will set the strategic direction and updates to the Border Sector Strategy in consultation with the Border Executive Board to align with how departments set strategic priorities and direction
- 5 **note** Cabinet retains the authority to set the Border Executive Board accountabilities
- 6 **note** the Border Executive Board work programme as at February 2023 shown in Appendix 3.

Authorised for lodgement

Hon Damien O'Connor

Acting Minister of Customs

Appendix 1: Border Executive Board Operating Framework





The Border Executive Board is here to provide collective leadership and accountability for New Zealand's border

we aspire to

enable the prosperity and security of New Zealand through a smart and safe border

we aim to achieve

Smarter

Improvements to the border system

Safer

Protect from harm and effectively manage risk onshore and offshore

Facilitation

Efficient movement of compliant people, goods, and craft

Stewardship

New Zealand's border system meets the needs of today and the future

Our areas of shared interest are

- **Connecting New Zealand**
Maintain the air and maritime pathway in a new operating environment
- **Readiness for the next event**
Ensure the border is ready for the next significant event, learning from the COVID-19 response
- **Commitments to the Pacific**
Facilitate movement of people, goods, and craft for Pacific nations
- **Health response**
Be ready for another COVID-19 variant of concern or next health event
- **Digital solutions**
Use technology to reduce risk to New Zealand and improve customer experience of border activity
- **Flow and use of data**
Data can be used appropriately and legally to manage risk and opportunities, and improve the customer experience
- **Integrated insights and surveillance**
Enhance the multi-agency approach to managing information and risk
- **Mitigate illicit activity**
Mitigate the risk of transnational crime at air and sea ports working with the Security Intelligence Board
- **Economic strength**
Support the flow of goods by considering opportunities or removing barriers to the supply chain
- **Infrastructure**
Infrastructure and regulations enable effective and efficient air and sea ports
- **Financial sustainability for the border sector**
Enable sustainable revenue streams to maintain fit for purpose services and infrastructure
- **Alignment of investment**
Coordinate planning and investment to maximise value and utilisation of resources
- **Effective governance**
Maintain governance and assurance of the border system

Our principles

One view of the border through system leadership	Integrated and coherent investment, delivery, and customer experience	Resources are targeted to activity of greatest value to the border system	Partnership	Future focussed through the use of technology	Risks are managed as early as practicable and offshore where possible
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January 2023



Appendix 3: 2022/23 Border Executive Board Work Programme

	<p>Governance</p> <ul style="list-style-type: none"> Board performance Performance of the border system Accountability to Parliament and public System coordination 		<p>Ahumoni Hoahoa (Finance)</p> <ul style="list-style-type: none"> Cost recovery – fees and levies to manage cost pressures and volume issues Multi-year view of border finance and collective investments
	<p>Risk and Assurance</p> <ul style="list-style-type: none"> Risk monitoring Assurance plans and activity 		<p>Strategic Direction</p> <ul style="list-style-type: none"> Border sector strategy Success indicators

and joint initiatives with the six border agencies

<i>that respond to current matters</i>		<i>Agencies involved</i>
	<p>Air Border</p> <ul style="list-style-type: none"> Support the airport system to operate efficiently and enable a positive traveller experience 	NZCS, MPI, MBIE, MFAT, MoT
	<p>Maritime Border</p> <ul style="list-style-type: none"> Maritime passenger strategy Maritime port infrastructure for processing passengers 	MoT, NZCS, MPI, MBIE MoT
	<p>Border System Readiness</p> <ul style="list-style-type: none"> The next COVID-19 variant of concern or next health event Contribute to the Royal Commission of Inquiry (COVID-19 Lessons) and use insights for next border event Winter season including health settings and border workforce 	All All All
<i>and improve the border for the future</i>		
	<p>Digital Declaration</p> <ul style="list-style-type: none"> Digitise the Arrival Card using the New Zealand Traveller Declaration Implement agency ownership of the New Zealand Traveller Declaration 	Lead: NZCS, MBIE, MPI With: MoH
	<p>Data Sharing and Privacy</p> <ul style="list-style-type: none"> Data sharing support for priority projects Identify opportunities for addressing barriers to information sharing Strategic oversight and direction of border data sharing and privacy activities 	Lead: MBIE With: NZCS, MPI, MoT, MFAT, MoH
	<p>Digital Border – Airports of the Future</p> <ul style="list-style-type: none"> Develop biosecurity and customs substance algorithms Airport trials for RTT Scanner, X-Ray, control room and radio frequency identification Oversight and alignment of digital border projects 	Lead: MPI, NZCS With: MoT, MoH
	<p>Integrated Targeting and Operations</p> <ul style="list-style-type: none"> Increase agency participation and representation at ITOC Support 24/7 operations Enhance ITOC's role in border operational coordination 	Lead: NZCS, MBIE, MPI With: MoH, MoT
	<p>Strategic Approach to Health at the Border</p> <ul style="list-style-type: none"> Integrate health intelligence and risk assessment Regular health function at the border Ability to identify, monitor and escalate health measures Implement the Strategic Approach to Health at the Border (phased) 	Lead: MoH With: NZCS, MPI, MBIE, MoT
	<p>Infrastructure at Airports</p> <ul style="list-style-type: none"> Collective engagement with New Zealand's six largest airports Preparation for the enactment of RASU's under the CAA Bill Input into development of Auckland International Airport 	Lead: MoT, NZCS With: MPI, MBIE, MoH

Refreshed February 2023



Cabinet Economic Development Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Border Executive Board: Border Sector Strategy and Refreshing Accountabilities

Portfolio Customs

On 10 May 2023, the Cabinet Economic Development Committee:

- 1 **noted** that it is timely to revise the initial Cabinet accountabilities set in December 2020 for the Border Executive Board to reflect the evolution of the government's COVID-19 response;
- 2 **agreed** that the revised accountabilities of the Border Executive Board will be:
 - 2.1 strategic border system improvements, including developing a Border Sector Strategy, monitoring performance and user experiences across the system, advising on investment decisions for the border system, and delivering joint initiatives to build a safer and smarter border;
 - 2.2 no gaps in end-to-end border processes, with health risk management integrated and the border ready to respond to significant events;
 - 2.3 risks from people, goods, and craft arriving and departing the border will be addressed and opportunities maximised, where these are not already being managed by an existing agency or other government processes;
 - 2.4 the border system is financially sustainable through the use of cost recovery and oversight of significant fiscal challenges, such as inflation;
 - 2.5 provide leadership to facilitate business and a positive user experience with the border system;
- 3 **agreed** to the Border Executive Board Border Sector Strategy summary, attached as Appendix 2 to the submission under DEV-23-SUB-0075;
- 4 **agreed** that the responsible Minister will set the strategic direction and updates to the Border Sector Strategy, in consultation with the Border Executive Board, to align with how departments set strategic priorities and direction;
- 5 **noted** that Cabinet retains the authority to set the Border Executive Board accountabilities;

6 **noted** the Border Executive Board work programme as at February 2023, attached as Appendix 3 to the submission under DEV-23-SUB-0075.

Janine Harvey
Committee Secretary

Present:

Hon Grant Robertson (Chair)
Hon Dr Ayesha Verrall
Hon Willie Jackson
Hon David Parker
Hon Priyanca Radhakrishnan
Hon Kieran McAnulty
Hon Ginny Andersen
Hon Barbara Edmonds
Hon Dr Duncan Webb
Hon Rino Tirikatene
Hon Dr Deborah Russell
Hon Rachel Brooking

Officials present from:

Office of the Prime Minister
Officials Committee for DEV

Proactively released