



NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA



Statement of Intent

2024–2028





Presented to the House of Representatives pursuant to Section 39 of the Public Finance Act 1989.



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Foreword from the Minister

The New Zealand Customs Service (Customs) is the oldest government department in New Zealand. It has been protecting New Zealand's borders, collecting revenue, and facilitating trade and travel since 1840.

Customs has a key role to play in supporting the Government's priorities to improve law and order and rebuild the economy. Since becoming Minister of Customs, I have been impressed by the dedication shown by Customs staff to protect the border and stop illicit drugs, tobacco, and other goods entering our country.

Over the next three years, Customs will focus on two key priorities – countering transnational organised crime and contributing to economic growth through trade facilitation.

Countering transnational organised crime

Protecting our border is a critical part of the Government's commitment to reducing crime. Organised crime in New Zealand has increasing links to international criminal groups, who are using highly sophisticated methods to smuggle illicit drugs, tobacco, and firearms into New Zealand and launder money as it is moved across borders.

Customs works closely with the New Zealand Police to prevent and detect organised criminal activity here, and with overseas enforcement and border agencies to identify and address potential threats before they reach New Zealand. These partnerships are resulting in significant successes, with the amounts of methamphetamine and cocaine seized by Customs reaching record levels.

Contributing to economic growth

Customs plays a major role in supporting export growth through its work supporting traders, building



strong relationships with international customs and border agencies and helping to remove or minimise access barriers to international markets.

Over the coming years, Customs will maintain its focus on the faster and safer facilitation of goods and people as they cross the border. This includes increasing the uptake of digital services, such as the New Zealand Traveller Declaration.

Above all, it is important to note that there are significant economic pressures facing the Government. I expect Customs to make sure it delivers its services efficiently and to ensure it can operate sustainably.

I believe that the priorities and focus areas set out in this document will position Customs well to deliver on its core functions and support the priorities of the Government. I look forward to seeing their continued success in protecting and promoting New Zealand.

Ministerial Statement of Responsibility

I am satisfied that the information on strategic intentions prepared by the New Zealand Customs Service is consistent with the policies and performance expectations of the Government.

Hon Casey Costello
Minister of Customs

Foreword from the Comptroller

I am pleased to present the Statement of Intent 2024 – 2028. This document sets out our objectives and key areas of focus for the next four years. It describes the outcomes we aim to achieve for New Zealanders, and the steps we are taking to ensure we deliver our services effectively and efficiently.

We work within a complex and interconnected world. Our partnerships with national and international border and law enforcement agencies are a critical part of how we manage threats and risks to New Zealand. Through our partnerships we share information and intelligence, collaborate on joint investigations, and support the streamlined and efficient processing of passengers and trade goods.

Criminal groups are increasingly innovating and adapting their processes as they attempt to smuggle drugs and other illicit and prohibited goods across our border. We must do the same.

We have introduced four new internal priorities – People, Partnerships, Innovation, and Technology and Data – to help prioritise our resources and ensure we continue to deliver effective and fiscally sustainable services into the future.

Over the last few years, we have seen a sustained increase in large-scale drug smuggling and increased activity from transnational organised crime groups. The introduction of our new Maritime Group in 2023 has had an immediate impact, disrupting criminal activity in and around New Zealand's maritime ports and supply chains. We will continue to investigate and invest in new technology to identify potential threats early and minimise the risk to our people from criminal groups.

New Zealand's economy relies on trade. Strong relationships with other customs and border agencies enable us to resolve trade issues and support the rapid clearance of trade goods. Our focus is on



deepening relationships with our traditional partners and building relationships with new partners, including in India and the Middle East, to facilitate trade and information sharing. We also work with traders and industry partners to ensure correct revenue payments are made.

International travel is shifting to a digital-by-default approach. The introduction of the digital New Zealand Traveller Declaration has positioned us well to respond to this trend, enhancing risk identification while streamlining and reducing processing times for passengers.

Our people are critical to our success. They work with great professionalism, commitment, and skill, 24 hours a day, seven days a week. Their work, together with our partners, means we are well positioned to support Government priorities and to meet future challenges.

Chief Executive Statement of Responsibility

In signing this Statement, I acknowledge that I am responsible for the information on the strategic intentions of the New Zealand Customs Service. This information has been prepared in accordance with section 38 and section 40 of the Public Finance Act 1989.

Christine Stevenson
Comptroller of Customs

Our Purpose

We are here to protect and promote New Zealand across borders

Our Vision

We aspire to eliminate border and revenue risk

Our Values

**We do
what's right**

**We are
guardians**

**We value
people**

**We look
forward**



Who we are and what we do

Established in 1840, the New Zealand Customs Service (Customs) is New Zealand's oldest government department. We provide essential services that protect New Zealand at the border, support economic growth through the facilitation of trade and travel, and promote New Zealand's interests in international forums. We also collect around \$18 billion in tax revenue each year on behalf of the government.



Our functions and services

We have three core functions:



Protection

Making our country safer and more secure by managing the risks associated with the international movement of goods and people



Trade and Revenue

Supporting the efficient flow of trade and revenue collection as goods cross our border, and the collection of excise duty on goods produced in New Zealand



Travel

Providing secure border processes that facilitate legitimate international travel and reduce associated threats

Through these functions we are responsible for:

- > targeting the activities of transnational organised crime groups in partnership with national and international agencies
- > expediting the flow of goods across our border and collecting tax revenue on behalf of government
- > facilitating the flow of passengers and craft as they cross the border
- > providing policy advice to government ministers and other agencies on border and revenue issues
- > providing intelligence and risk assessment information to inform border activities
- > engaging operationally with international customs and law enforcement agencies to identify and seize drugs, illicit tobacco, and other prohibited goods
- > investigating the trade of child exploitation and other objectionable material across our cyber and physical borders

- > actively participating in the global customs community, helping to develop international policy and best practice
- > providing stewardship of our regulatory systems to ensure they are fit-for-purpose
- > providing administrative and corporate support to the Border Executive Board.

Our work with national and international partners

We work closely with border and law enforcement agencies in New Zealand and around the world to manage threats and risks. This includes targeting transnational organised crime groups and other criminal activity, sharing intelligence and information, and supporting the wider border sector strategy.

We also work to resolve trade issues and support the negotiation and implementation of free trade and other international agreements.

Our overseas-based staff work to strengthen relationships, exchange information and intelligence, and provide on-the-ground help to businesses facing trade-related issues.

We are part of international forums supporting the development of global customs standards and international trade agreements, including:

- > the *Border Five* group of customs and border protection agencies from New Zealand, Australia, Canada, the United States, and the United Kingdom
- > the *World Customs Organization*, representing 186 customs administrations around the world
- > the *Oceania Customs Organisation*, supporting best practice border security and trade across the South Pacific
- > the *Asia-Pacific Economic Cooperation (APEC) Forum*, supporting trade facilitation and best practice.

Contributing to national security objectives

We lead or are part of interagency forums that work to protect New Zealand through managing threats at our border.

We are a member of the National Security Board and are the strategic coordinating agency for Border Security – one of the 12 core national security issues. In this role we work collaboratively with agencies to protect New Zealand from threats relating to transnational crime, people smugglers, human traffickers, espionage agents, illicit drug and firearm smugglers, terrorists, and violent extremists. We also maintain an awareness of the biosecurity and health threats that need to be managed at the border.

Together with the New Zealand Police, we are jointly responsible for coordinating the response to another core national security issue – combatting transnational organised crime (TNOc). We co-lead the Leadership and Steering Groups responsible for developing and implementing the TNOc Strategy 2020-2025. The strategy sets out the work that will strengthen coordination and operational activity to prevent, detect, and dismantle TNOc activity. It is also aligned to the Resilience to Organised Crime in Communities (ROCC) programme.

We are a member of the Maritime Security Oversight Committee, which is responsible for maintaining awareness of the wider maritime environment and the protection, collaboration, and management of New Zealand's maritime interests.

Customs is the host agency for the National Maritime Coordination Centre, which supports the effective and efficient use of maritime patrol and surveillance assets across agencies and provides maritime-related information to support the core business of participating agencies.

These forums ensure New Zealand takes a sector-wide view of potential threats and the identification of areas for improvement, while making sure we continue to deliver our core border services effectively.

Supporting Government Priorities

Our purpose is to protect and promote New Zealand across borders. We work hard to reduce the harm to our communities and economy from the impact of transnational organised crime.

We support improved market access and trade facilitation for exporters and importers, make international travel as easy as possible, and collect revenue that supports the delivery of government services.

We also remain committed to ensuring our services are delivered efficiently and effectively.

Our work aligns with the law and order and economic priorities the Government has set for the country, with a particular focus on:

- > protecting New Zealand communities from harm
- > promoting economic growth
- > delivering effective and fiscally sustainable public services.

Border Executive Board

The Border Executive Board (BEB) has been in place since January 2021, bringing together six government agencies with border functions – New Zealand Customs Service, Ministry for Primary Industries (Biosecurity NZ), Ministry of Business, Innovation and Employment (Immigration), Ministry of Transport, Ministry of Foreign Affairs and Trade, and the Ministry of Health.

The BEB ensures joint accountability for New Zealand's border system and works together on complex issues that can only be progressed by working with more than one agency. It is accountable for:

- > providing strategic border system improvements
- > ensuring there are no gaps in the end-to-end border processes
- > addressing risks and maximising opportunities from people, goods, and craft arriving and departing New Zealand
- > ensuring the border system is financially sustainable
- > providing leadership to facilitate business and a positive user experience within the border system.

The Border Executive Board is chaired by the Comptroller of Customs and reports to the Minister of Customs.

Customs is the servicing department for the BEB. We host the Secretariat and provide administrative, financial, and corporate support. We also lead several workstreams supporting system assurance and improvement outcomes, alongside our legislative functions and services.

The BEB work programme is delivered by member agencies and the BEB secretariat. More information is available at [Border Executive Board \(customs.govt.nz\)](https://www.customs.govt.nz/border-executive-board).



Positioning Customs for the future

Our strategy informs the way we prioritise work and helps us make sure we invest in the right things at the right time to effectively deliver our core functions and services.



Our operating environment

We deliver our services in an environment that is impacted by international trends and events. We need to monitor emerging issues and challenges and make sure we are well positioned to respond.

New Zealand is an attractive market for international organised crime groups because of the high prices and demand for illicit drugs and other goods. We are seeing the impact of this with increasingly sophisticated attempts to smuggle large quantities of illicit drugs across our border. We are also seeing new and varied methods of laundering money as it is moved across borders.

Strengthening our relationships with international partners, and making better use of the data we collect, improves our risk management and targeting as people and goods cross our border. However, these opportunities must be balanced by the increased risk to privacy and security breaches from the greater use, collection, and retention of information and data.

Emerging technologies, such as artificial intelligence provide opportunities, but also increased threats from criminal groups.

Geopolitical changes and instability, as well as more diverse and complex international supply chains, have the potential for significant disruptions. These disruptions may affect our economy and trade patterns.

People have greater expectations of more accessible, digital, and timely public services. At the same time, constant and instant communication across a range of media and social media platforms is resulting in the rise of disinformation and misinformation, and a lack of trust in public institutions.

Climate change, increased sea levels, and more extreme weather events will continue to impact New Zealand and our Pacific neighbours and are likely to lead to increased migration, both legal and illegal. This will accelerate demographic and societal changes with an increasingly diverse younger population and a large group of older New Zealanders.

Customs Strategy

In response to these challenges, we refreshed our Strategy in July 2023.

The Strategy identifies four internal strategic priority areas that will help make sure we effectively and efficiently deliver our functions and services over the next five years, improving outcomes for New Zealand and New Zealanders.

Our priority areas are:

- > People
- > Partnerships
- > Innovation
- > Technology and Data.

Customs Strategy



Strategic priorities



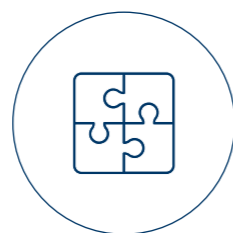
People

We have an adaptable and diverse workforce that can respond to changing environments

As we position ourselves to respond to new technologies, new threats, and new opportunities, our capability needs will change.

Over the coming years we will need to develop new capabilities in core roles and build and retain strong specialist capabilities across the organisation. This includes maintaining a culture that supports learning and development and innovation.

We are committed to building the capability we need to achieve the objectives of Te Pou Tokomanawa and maintaining our focus on ensuring our people feel safe, supported, and included.



Partnerships

We strengthen our partnerships with the people, agencies, stakeholders, and communities we work with

Effective partnerships are essential if we are to meet our objectives.

Whether we are partnering with national and international law enforcement agencies to disrupt criminal activity, working with other customs administrations to streamline the processing and risk assessment of goods, or working with industry partners and communities to improve our services, we cannot achieve our objectives alone. The global nature of trade and increased threats from transnational organised crime groups means we need strong relationships with our partners to support information sharing and joint operations, as well as expanding trade and market access.

We will build productive relationships and enhance existing partnerships to achieve shared outcomes and support efficient and effective border services.

We will also focus on building strong and enduring relationships with industry within New Zealand, and with iwi and hapū in areas with key air or marine ports. These partners play an important role in protecting our border through initiatives such as Border Protect, providing additional eyes and ears to identify suspicious activity.



Innovation

We foster a culture of innovation, generating new ideas and approaches to border and risk management

Innovation adds value to how we interact and engage with travellers, traders, our people, and our communities.

To respond to our constantly changing environment, we need to think critically about the way we work and find new ways to deal with current and future risks and challenges.

We will enhance our work in this area, increasing the capability of our people to develop a deep, evidence-based understanding of the problems we seek to solve. This will support us to create a culture of successful innovation at all levels of the organisation.



Technology and Data

We get the best value from our systems and information, while making sure that data is protected

Trade and travel processes and documentation are increasingly shifting to a digital-by-default approach. We will continue to improve and evolve our digital services and systems to simplify and streamline processes for travellers and traders. This will allow us to respond efficiently to increasing volumes and to collect more accurate data.

We will maintain our focus on improving our analytical capabilities, making sure we use the data and information we collect to provide insights to support decision making. This includes enhancing our understanding of trade and travel patterns and the factors that may identify criminal activity.

Managing cyber-security and privacy risks is crucial to make sure we achieve our outcomes and maintain the trust and confidence of those who use our systems. Cyber attacks are becoming more sophisticated and could significantly affect our IT systems, impacting delivery of our core services. To manage these risks, we are focused on making sure we have the right systems and processes in place to protect the privacy and security of the data we collect.



Our central pillar - Te Pou Tokomanawa

In a marae, pou are the pillars supporting the structure of the building, and Te Pou Tokomanawa is the central pillar supporting the ridge pole or backbone. For Customs, Te Pou Tokomanawa provides the overarching principles and focus to ensure we meet our obligations as a government agency and partner in the Māori Crown relationship.

Iwi, hapū, and Māori communities have a wealth of knowledge about their communities and can provide valuable intelligence and insights into suspicious activity, particularly at the maritime border. By working together, we can use this information to help protect communities from social harm.

Te Pou Tokomanawa has three areas of focus:

- > building the awareness and understanding of tikanga Māori and te reo Māori capability of Customs' staff
- > supporting Māori staff within Customs to achieve their aspirations
- > strengthening our relationship with iwi/hapū in key marine and border areas.

Te Pou Tokomanawa is a fundamental part of the way we work as an organisation and is embedded in our three principles:

Partnership | Kotahitanga – we will act reasonably, honourably, and in good faith with Māori and tāngata whenua, in partnership for the mutual benefit of both parties

Protection | Kaitiakitanga – we will strengthen our role as a protector of taonga, both in its physical form, and in language and traditions

Participation | Manaakitanga – we will enable active and equitable participation by Māori at all levels within Customs, to the benefit of both Māori and the wider community.

Our values reflect the way we work

Our values reflect these core principles. Our values were chosen by our people as representative of the way we work and how we engage with the people we support. They help us maintain public trust and confidence as we work to protect the border and our communities.

We do what's right – Te ara tika

We are guardians – Kaitiakitanga

We value people – He tāngata

We look forward – Pae tawhiti



What we aim to achieve

Our core functions are the things we do every day to protect New Zealand's border, facilitate the international movement of people and goods, and collect revenue on behalf of the Crown.



Protection

Prevent threats reaching our border



New Zealand is increasingly targeted by transnational organised crime (TNOC) groups seeking to smuggle goods across our border for financial profit, while causing harm to our communities. We work with domestic and international partners to disrupt and dismantle these networks and strengthen the integrity of New Zealand's supply chain.

The range of threats to New Zealand's border is broad – including drugs, weapons, illicit tobacco, cyber-crime, the possession and trade of objectionable material, financial crime, money laundering, and goods used to commit crimes involving dishonesty and intellectual property breaches.

Over the last few years, we have seen increasingly sophisticated large-scale smuggling attempts by TNOC groups which are aligned with domestic organised crime and gang activity in New Zealand. This has resulted in a substantial increase in the volume of intercepts across our most commonly seized illicit drugs.

TNOC groups actively target New Zealand's supply chains. They work to insert their people at key points, or to compromise people in roles at ports and airports who can bypass security measures. This harms our communities and impacts our reputation as a trusted trading partner.

We are also focused on managing regional risks, including the threat of New Zealand and our Pacific neighbours being used as staging or transit points for illicit drugs.

Our Maritime Group was established in 2023 to provide a greater Customs presence at marine ports. This increased the identification and management of potential threats, improving our ability to detect and seize illicit goods, and support national and international efforts to disrupt and dismantle TNOC groups.

Prevention remains our first line of defence. Our strong partnerships with national and international customs and law enforcement agencies support effective information sharing and joint operations, many of which result in the seizure of drugs and other items before they reach New Zealand.

Our objective:

Make our country safer and more secure by managing the risks associated with the international movement of goods and people, by:



Reducing the ability of transnational organised crime groups to operate across our border and in our region

Effective collaboration with international and regional partners allows us to share information, intelligence, and operational information to collectively identify, disrupt, and dismantle TNOC groups in New Zealand and overseas.

This includes raising awareness with industry partners of the threat of trusted insiders and increasing our focus on identifying and managing areas of vulnerability.



Reducing social harm to our communities by identifying and seizing illicit and prohibited goods

We use new technologies to detect illicit and prohibited goods and to support our enforcement activity. Data analytics and intelligence help us target the people, goods, and craft most likely to present threats to our border.

Our screening and enforcement processes are continuously improved to identify and seize illicit and prohibited goods as they cross the border and ensure restricted goods comply with relevant legislation.



Trade and Revenue

Supporting the efficient flow of trade and revenue collection

Customs plays an important role in facilitating and promoting international trade, while ensuring the correct payment of duties and taxes is made on trade goods. Our participation in international forums enable us to use New Zealand's reputation as a trusted trading partner to influence global Customs standards for trade.

The New Zealand economy relies on trade. Our geographical location can make this challenging, with shipping and supply chain disruptions amplified by our distance from major markets. Building strong relationships with our trading partners makes sure they have confidence in our systems and processes, supporting economic growth and reducing barriers to trade. This includes a focus on building ties with India and other regions of interest.

We have a strong reputation as a trusted trading partner. These relationships allow us to work with overseas customs agencies to quickly resolve clearance issues faced by traders. Our active involvement in international forums allows us to continue to advocate for a rules-based trading system that is fair and equitable.

We support the efficient flow of trade across our border (for both imports and exports). Innovative systems, tools, and processes are designed to make it easy for exporters and importers to comply with trade and revenue requirements.

We collect around 17% of core Crown tax revenue. This revenue comes from customs and excise duties on alcohol, tobacco, and fuel products, tariff charges, and GST on imported products over \$1,000. We also collect fees and levies on behalf of other agencies. Through our audit and outreach programmes we work with traders, brokers, and industry representatives to make sure the correct payments are made. We provide payment options to support traders respond to adverse events and supply chain issues impacting their cashflow.

Our objective:

Support the efficient flow of trade and revenue collection as goods cross our border, and the collection of excise duty on goods produced in New Zealand by:



Facilitating international trade through strong relationships with trading partners

Our involvement in international forums and relationships with key trading partners allows us to advocate for a rules-based trading system, streamline customs access to key markets, and resolve issues faced by traders, saving them time and money.



Making sure our systems and processes are easy to use

User-friendly, digitised systems and processes support compliance with trade and revenue requirements and support efficient and effective processes for risk assessment and clearance of goods across borders – nationally and internationally.



Ensuring non-compliance is identified and appropriately addressed

We proactively work with clients and industry partners to enable them to do the right thing. We use intelligence-led risk assessments, audits, and inspections to identify errors and undervaluation, and we prosecute or take other actions when deliberate revenue evasion attempts are identified.



Travel

Provide a streamlined experience for passengers and crew across borders



With over 10 million passengers and crew arriving and departing each year, Customs plays an important role in facilitating legitimate international travel by ensuring border management processes are streamlined, efficient, and effective, while still protecting New Zealand from threats. As passenger numbers return to pre-pandemic levels, our focus is on making sure our staff, systems, and processes are adaptable and ready to respond to old and new challenges.

Customs works to keep New Zealand safe through our risk assessment and screening processes both offshore (before people arrive) and at the physical border – preventing drugs, objectionable material, weapons, and other prohibited items from entering our communities. We work collaboratively with international customs and law enforcement agencies to provide support on initiatives disrupting transnational organised crime and other criminal activity.

The introduction of the New Zealand Traveller Declaration (NZTD) from July 2023 is one of the biggest changes in many years to the way we manage risk and identify threats. NZTD allows us to assess passenger and crew information earlier in their journey, whether they arrive by air or sea, helping to identify potential threats while reducing processing times.

As passenger numbers increase, we will work with other border agencies and industry partners to improve facilitation processes, and ensure we have the right people in the right places to respond to unexpected events, threats, and risks.

Our partnerships with international customs and law enforcement agencies support effective risk identification and streamlined processes for passengers. This includes working closely with Australian and New Zealand border agencies on options to support seamless Trans-Tasman travel.

Our objective:

Provide secure border processes that facilitate legitimate international travel and reduce associated threats, by ensuring:



Effective border screening processes manage threats to New Zealand

Our passenger risk assessment and border screening processes prevent illicit drugs, prohibited items, and objectionable material from entering our communities.

Collaboration with international and national customs and law enforcement agencies allows us to share information and work collaboratively on initiatives and investigations to disrupt transnational organised crime and other criminal activity.



Our border processing services are efficient, smart, and easy to use

Processes supporting international travel are increasingly automated and digital by default. We will continue to invest in smart technology, such as eGates, biometric authentication, and the New Zealand Traveller Declaration to support seamless interactions through Customs areas.

We will ensure our systems and processes are easy to use and remain accessible for all passengers, supporting high uptake of digital options and increasing voluntary compliance.



Helping us get there

We have the right people, systems and processes in place to make sure we operate effectively as an organisation and deliver on our strategy.



Actively managing our risks and assets

We are focused on building a risk-aware culture, supporting our people to identify potential risks and respond to them quickly and effectively.

Our governance structure encourages collective accountability for key strategic decisions and active monitoring of organisational priorities and performance. Four Committees support the Customs Executive Board (CEB):

- > **CEB Focus** – makes substantive decisions about the way we work and the future trends we need to prepare for
- > **CEB Investment and Performance** – provides oversight of our overall performance, our financial position, and the allocation and use of our resources
- > **CEB Business** – makes decisions on key business issues to ensure we can deliver our services effectively
- > **Health, Safety, and Wellbeing System** – provides oversight of key health and safety risks to ensure our people and those we work with are safe and well.

An external Assurance and Risk Committee meets quarterly and provides independent advice to CEB on Customs' policies, processes, and systems.

Maintaining public trust and confidence

Customs' reputation depends on the way we act and how we use our legislative powers through risk targeting, investigations, and enforcement activity. Our value, *we do what's right*, underpins how we work and is fundamental to maintaining the trust and confidence of our stakeholders, clients, and the people who use our services.

Our integrity programme focuses on building a strong culture, empowering people to speak up and do the right thing.

Alongside this, our internal audit, security, and assurance programmes evaluate systems and processes to ensure we use public resources effectively and efficiently.

Increasing our cyber security resilience

The risk of cyber threats and attacks continues to increase as criminal groups and phishing attacks become more sophisticated. Attacks on our technology services could significantly disrupt the delivery of our core services.

We have a 24/7 security operations centre that allows us to detect threats early, respond quickly, and recover fast. We regularly engage independent security specialists to review and test our systems. This helps provide assurance that our systems and services have appropriate and best practice security controls.

Proactively managing our assets

We manage approximately \$114 million worth of assets ranging from x-ray scanners and drug testing equipment, to patrol vessels, and the information systems that are essential to support the movement of people and goods. While our asset portfolio is relatively small in value, there is a large risk if these assets fail.

Asset Management Plans document the key services we need to deliver and the expected standard of these services. These plans form the basis of our long-term investment plan which estimates the financial investment needed to replace assets over the next ten years and ensure they remain fit for purpose. We regularly review these plans to make sure we can adjust for changes in our operating environment and any major delays in investment projects.

Proactive stewardship of our regulatory systems

Regulatory stewardship is about taking a whole-of-system approach. It looks at who the key players are, their roles and responsibilities, and monitoring, reviewing, and reporting on the performance of regulatory systems.

Customs has an important role in four regulatory systems – trade, revenue, national security, and the border.

Our focus is on increasing awareness of our role as regulatory stewards, what this means for our staff, and the benefits effective stewardship brings to the economy and individuals through a clear and fair environment.

We have established a Regulatory Review Policy team to review all the legislative instruments and regulations administered by Customs. We have established an internal regulatory stewardship governance model, promoting a whole of system approach to all regulatory activity and will carry out system maturity assessments to identify areas for improvement.

Ensuring the wellbeing and safety of our people

Our wellbeing and safety strategy is designed to make health, safety, and wellbeing an integral part of everything we do. It is based around three pillars:

- > Protect – minimising harm at work
- > Build – building an organisational and team culture that embeds health, safety, and wellbeing
- > Support – supporting personal holistic health.

Many of our people work in high-risk places and roles, including at maritime ports and performing enforcement functions. Our assurance programme focuses on reviewing critical risk controls, particularly in areas where health and safety responsibilities overlap with other agencies. We remain committed to supporting the psychological and psychosocial wellbeing of our people.

Building an inclusive and diverse workforce

We work with and support a diverse range of people in the delivery of our services. It is important that our workforce reflects the community we serve.

We know that an inclusive, equitable, and diverse workforce helps create a positive and safe environment where everyone feels supported, included, and valued. We achieve operational success by supporting our people to do their best work and serve our communities well. Our Inclusion and Diversity strategy has two focus areas – creating an inclusive culture, and supporting gender, Māori, and ethnic equity in employment, representation, and pay.

Our people are fundamental to what we do. New Customs Officers are trained through a six-month induction programme, and continue to learn, develop, and upskill on the job. All our staff are supported to develop their technical and professional skills, and we offer specific programmes for leadership development.

Reducing our carbon emissions

We are committed to helping New Zealand manage the impact of climate change through reducing our greenhouse gas emissions.

Through the Carbon Neutral Government Programme, we have set emission targets to reflect a 21% reduction in total gross emissions by 2025 (compared to our 2019/20 base year) and a 42% reduction by 2030. We report against our emissions and projects to reduce emissions-generating activity each year through our Annual Report.

Taking a long-term financial view of our resources

Through our fiscal sustainability programme, we have developed a long-term view of our financial position. This allows us to identify potential cost pressures at an early stage and understand the longer-term impact of spending decisions.

The multi-year view enables the Customs Executive Board to make more informed strategic decisions on managing financial pressures and the prioritisation of activities and investments.



Monitoring our performance

Our reporting tells a clear story of how we are doing and why the work we do is important.

Our Performance Framework provides an overview of how we measure, track, and report our performance and the delivery of our services.

Customs Performance Framework 2024 – 2028



We are here to **Protect and promote New Zealand across borders**



We support Government priorities

Protecting New Zealand communities from harm

Promoting economic growth

Delivering effective and fiscally sustainable public services

Through the efficient and effective delivery of our core functions and services guided by the principles and focus of Te Pou Tokomanawa



Protection

Prevent threats reaching New Zealand



Trade and Revenue

Support the efficient flow of trade and revenue collection



Travel

Provide a streamlined experience for passengers and crew



Our objectives

Make our country safer and more secure by managing the risks associated with the international movement of goods and people by

Support the efficient flow of trade and revenue collection as goods cross our border, and the collection of excise duty on goods produced in New Zealand by

Provide secure border processes that facilitate legitimate international travel and reduce associated threats by ensuring

Reducing the ability of TNOG groups to operate in our region

Reducing social harm to our communities

Facilitating the flow of international trade

Easy to use systems and processes

Identifying and appropriately addressing non-compliance

Border screening processes manage risks and threats

Processing services are efficient, smart, and easy to use



Our output measures monitor how well we deliver the activities that support our services

Goods clearance and enforcement

Travellers clearance and enforcement

Revenue collection and other services

Border system performance



Our strategic priorities support us to effectively deliver our services and activities

People

We have an adaptable and diverse workforce that can respond to changing environments

Partnerships

We strengthen our partnerships with the people, agencies, stakeholders, and communities we work with

Innovation

We foster a culture of innovation, generating new ideas and approaches to border and risk management

Technology and Data

We get the best value from our data and systems, while making sure that data is protected

We monitor our stewardship responsibilities to ensure we have the right people, systems, and processes in place to achieve our purpose

We actively manage our risks and assets

We are effective stewards of our regulatory systems

We promote safe work practices and support the holistic wellbeing of our people

We have an inclusive and diverse workforce and are working to reduce our pay gaps

We are reducing our carbon emissions

We take a long-term financial view and proactively manage cost pressures

Our Performance Framework provides an overview of the different levels of performance we monitor

Core functions and services

Our core functions are the things we do every day to protect New Zealand's border, facilitate the movement of people and goods, and the collection of Crown revenue.

We monitor the services we deliver through each functional area to track progress towards our objectives and outcomes. These services are set out below.

Progress is monitored using a mix of qualitative, quantitative, and narrative information to provide a comprehensive overview of what we have achieved.



Protection

Outcome: Prevent threats reaching New Zealand

We will achieve this outcome by:

- > targeting the activities of TNOG groups
- > providing intelligence and risk assessment information to inform border activities
- > strengthening the security of New Zealand's maritime supply chains
- > contributing to national security objectives
- > partnering with international customs and law enforcement agencies to identify and seize illicit and prohibited goods
- > investigating the trade of child exploitation and other objectionable material
- > targeting tobacco smuggling.



Trade and Revenue

Outcome: Support the efficient flow of trade and revenue collection

We will achieve this outcome by:

- > facilitating trade through strong relationships and agreements and with trading partners
- > expediting the flow of goods across our border
- > supporting the resolution of trade issues
- > supporting the development of international trade policy and best practice
- > efficient clearance of trade goods
- > improving our systems and processes to make services easier to access and reduce delays
- > identifying and collecting all due tax and revenue payments on behalf of the Crown
- > supporting clients to do the right thing while prosecuting deliberate revenue evasion.



Travel

Outcome: Provide a streamlined experience for passengers and crew

We will achieve this outcome by:

- > using intelligence and risk assessments to stop illicit or prohibited goods reaching our communities
- > collaborating with partner agencies to disrupt TNOG groups and other criminal activity
- > facilitating the flow of passengers and craft through the border
- > supporting high uptake of digital options
- > investing in smart technology to support seamless interactions.

Providing policy advice to government Ministers and other agencies on border and revenue issues.



Monitoring our outputs

Our output performance measures help monitor the activities we carry out as we deliver our services. These measures focus on what we deliver for the funding we receive. Our output measures are set out in more detail in *The Estimates of Appropriations* and *The Supplementary Estimates of Appropriations* produced annually by the Treasury.

Our strategic priorities and stewardship responsibilities

Our strategic priorities were chosen to make sure we have the right capability and resources to effectively deliver our functions and services. They inform the way we prioritise work and help us make sure we invest in the right things at the right time.

We also monitor our stewardship responsibilities to make sure we have the people, systems, and processes in place to achieve our objectives.

Ensuring our measures are fit-for-purpose

As part of our continuous improvement programme, we annually review all our performance indicators and measures to make sure they are fit for purpose, accurately reflect the services we deliver, and are relevant and in line with best practice reporting standards.

Reporting our performance

We report:

- > Annually to Parliament and the people of New Zealand through our Annual Report
- > Quarterly to the Minister of Customs on our strategic performance
- > Monthly to the Customs Executive Board on our output performance measures and operational performance.

Past Annual Reports are available at <https://www.customs.govt.nz/about-us/about-customs/corporate-publications/>.

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New Zealand Government