

Minister for National Security and Intelligence

### Coversheet

## Aide-Mémoire: Briefing to the Incoming Minister for National Security Intelligence

Date:	25/01/2023	Report No:	DPMC-2022/23-793
		Security Level:	IN-CONFIDENCE
		Priority level:	Routine

	<u> </u>			
Name	Position	Telephone	71	1st Contact
Tony Lynch	Deputy Chief Executive	s9(2)(a)	s9(2)(a)	✓
s9(2)(g)(ii)	Principal Advisor	-	s9(2)(a)	

**Action sought** 

Note content

Deadline

Departments/agencies consulted on Briefing	
None	
Minister's Office	
Status:	
□ Signed	□ Withdrawn
Comment for agency	

Attachments: Yes

Aide Mémoire: Briefing to the Incoming Minister for National Security and Intelligence

DPMC: 4702388 Page 1 of 3

## Aide-Mémoire

## Briefing to the Incoming Minister for National Security and Intelligence

To: Rt Hon Chris Hipkins Minister for National Security and Intel		rity and Intelligence	lligence	
From:	Tony Lynch, Deputy Chief Executive	Date:	Date	
Briefing Number:	DPMC-2022/23-793	Security Level:	IN CONFIDENCE	

#### **Purpose**

- 1. Welcome to your new role as Minister for National Security and Intelligence.
- 2. Please find attached our briefing to you as the incoming Minister (Attachment A). This document provides you with information about:
  - your role and responsibilities
  - · our support for you
  - some immediate priorities and decisions that you will need to make, and
  - the Department of the Prime Minister and Cabinet's (DPMC) National Security Group (NSG) and its leadership.
- 3. We are available to meet you about any of the matters in this briefing or any other matters of interest to you.

Tony Lynch	Rt Hon Chris Hipkins
Deputy Chief Executive,	Minister for National Security and
National Security Group	Intelligence
31/01/2023	

Attachments:	Title	Security Classification
Attachment A:	Briefing to the Incoming Minister – National Security and Intelligence	

Aide Mémoire: Briefing to the Incoming Minister for National Security and	DPMC-2022/23-793
Intelligence	

## Attachment A: Briefing to the Incoming Minister for National Intelligence and Security

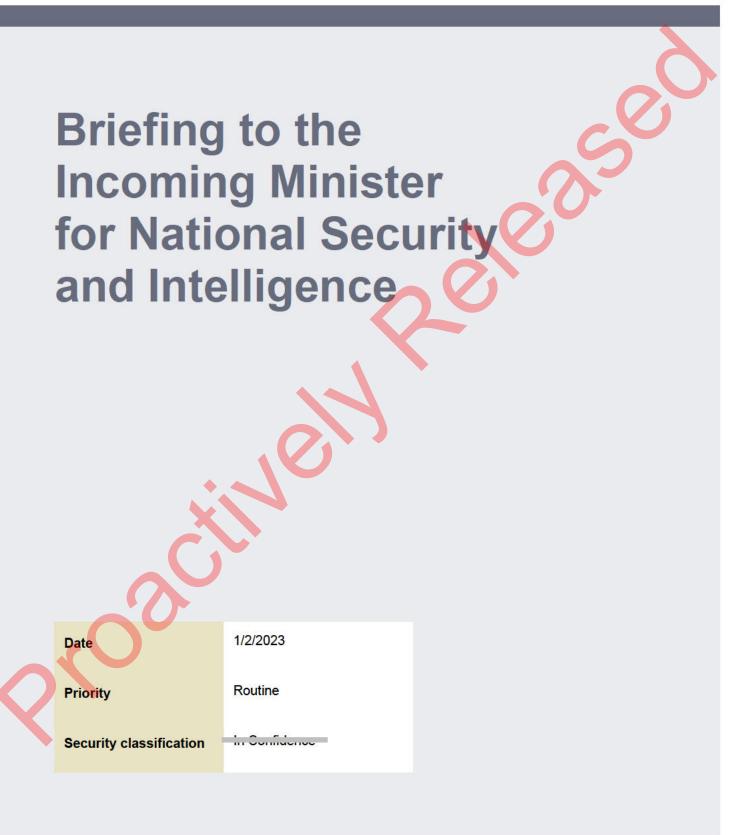


Aide Mémoire: Briefing to the Incoming Minister for National Security and Intelligence

DPMC-2022/23-793

DPMC: 4702388 Page 3 of 3





#### Introduction

Welcome to your role as **Minister for National Security and Intelligence (NSI)**. In this role you are supported by the National Security Group (NSG) of the Department of the Prime Minister and Cabinet (DPMC).

National security is about protecting New Zealand from threats that would do us harm.

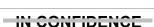
This briefing sets out the:

- context of the portfolio, your roles and responsibilities, and how we can support you;
- key areas of focus requiring consideration either immediately or within the next 100 days;
   and
- future direction of the portfolio, including options for shaping the future work programme.

You have responsibilities related to national security and strategic crisis management under both your **Prime Minister** and **Minister for National Security and Intelligence** portfolios. We cover both portfolios in this briefing.

NSG has a busy work programme underway, with several issues due for early Cabinet consideration (and legislation in the longer term). We will provide further advice on these issues over the next 100 days, and we look forward to an early opportunity to discuss your priorities. We supported your predecessor with fortnightly NSI written briefings and regular face-to-face discussions – we are keen to discuss how you would like to engage with NSG over 2023.

Page 3 provides a one-page summary of your national security roles and priorities.



#### 1-page summary of your national security roles and priorities



# National security



BRIEFING TO THE INCOMING MINISTER FOR NATIONAL SECURITY AND INTELLIGENCE

New Zealand's new definition of national security is based on actively protecting New Zealand from malicious threats to national security interests from those who would do the country harm.

In 2022, Cabinet agreed to this focused scope as a deliberate shift in definition from the previous "all hazards, all risks" approach, and NSG had been working with your predecessor on the systems and functions to support this.

#### NZ's changing environment

- New Zealand faces a range of complex and disruptive security challenges, including geopolitical tensions, pressure on the rules- based international system, violent extremism, cyber incidents, and more.
- In response to the Royal Commission of Inquiry, national security agencies are making changes, including how they support communities.
- An independent statutory review of the Intelligence and Security Act 2017 is due 31 January
- The Government is developing New Zealand's 1st National Security Strategy. The strategy is part of our larger work on national security reform.
- We have significant legislative change coming down the pipeline

IN CONFIDENCE | FEB 2023 | NRL.4702066 · REF BIM REPORT 4700302 | 1 OF 1

### Your national security roles

#### PRIME MINISTER

#### THE ODESC SYSTEM

The ODESC system supports you and the executive government in strategic crisis management. The Prime Minister is the lead decision maker in the ODESC system, supported by the DPMC Chief Executive as Chair of ODESC. The system coordinates and guides agencies, ensuring risks and mitigations are understood and addressed.

#### ISC

You chair the Parliamentary Intelligence and Security Committee (ISC)

#### MINISTER FOR NATIONAL SECURITY AND INTELLIGENCE

The Minister for National Security and Intelligence is the lead decision maker for the national security system.

The responsibilities of the portfolio include oversight of, and setting the overall direction and policy for, the broad national security and intelligence sector.

This portfolio is likely to see some changes as we make the national security system more fit-forpurpose for the current environment and in response to the Royal Commission of Inquiry into the terrorist attacks on Christchurch masjidain on 15 March 2019 (Royal Commission).

#### DPMC's National Security Group · Our support for you

The National Security Group (NSG) sits in the Department of the Prime Minister and Cabinet (DPMC) and provides leadership across New Zealand's all-risks national security community to strengthen national resilience, develop situational understanding and improve coordination and collaboration on issues of national significance.

We lead, coordinate and support a risk-based national security system that delivers a secure and resilient New Zealand. We support you by:

- leading and coordinating the ODESC system
- giving you strategic advice on national security issues, including disinformation, terrorism and violent extremism, cyber security and foreign interference
- · providing sector leadership and coordination across agencies on national security issues.

#### Your 1st 100 days priorities + decisions

IN CONFIDENCE

#### FEBRUARY

Chairing the ISC.

#### MARCH-APRI

· Commissioner of Intelligence Warrants.

#### FEBRUARY

- · National Security Strategy.
- · National security reform.
- · Intelligence and Security Act review.

#### MARCH-APRII

- National Security Intelligence Priorities (NSIP) review.
- Preventing and Countering
- Violent Extremism strategic framework.

  National Security Long-term Insights
- Briefing (LTIB).

   Disinformation.
- · Cyber security and tools



### Strategic context

The world today is contending with a range of complex and disruptive security challenges. New Zealand is not immune. We face threats from rising geopolitical tensions, pressure on the rules-based international system, violent extremism, cyber attacks, state actions that affect economic security, and more. New Zealand's national security is intertwined with the security, stability, and resilience of the Pacific region.

Cabinet has directed the development of New Zealand's first National Security Strategy, to lay out a vision to help us navigate this dynamic security environment. It will reinforce the need for us to be clear on risks, prepared for change, and agile in our responses. The earlier we can act, the better our ability to prevent or respond to threats.

Our national security community works hard to protect what New Zealanders care about most, but government cannot do it alone. Acting early is only possible through greater public awareness of risks and deeper cooperation between government and New Zealanders.

In response to the findings of the Royal Commission, national security agencies have committed to building better relationships with communities to understand their concerns and to support them.

### Your roles and responsibilities as Minister for National Security and Intelligence

As Minister for National Security and Intelligence, you are the leader of the national security system.

New Zealand's new definition of national security is based on actively protecting New Zealand from malicious threats to national security interests from those who would do the country harm. In 2022, Cabinet agreed to this focused scope as a deliberate shift in definition from the previous "all hazards, all risks" approach. NSG has been working with your predecessor on the systems and functions to support this change. The definition of national security covers a range of core issues:

- Strategic competition and the rules-based international system
- Economic security
- Disinformation
- Foreign interference
- · Cyber security
- Emerging, critical, and sensitive technologies

- Terrorism and violent extremism
- Space security
- · Pacific resilience and security.
- Maritime security
- Transnational organised crime
- Border security

<sup>&</sup>lt;sup>1</sup> ERS-22-MIN-0028, July 2022.

As **Minister for NSI**, you are the lead decision maker for the national security system, which encompasses a wide range of agencies.<sup>2</sup> The responsibilities of the portfolio include oversight of, and setting the overall direction and policy for, the broad national security and intelligence sector. This portfolio is likely to see some changes as we make the national security system more fit-for-purpose for the current environment and in response to the *Royal Commission of Inquiry into the terrorist attacks on Christchurch masjidain on 15 March 2019* (the Royal Commission).

## Your national security roles and responsibilities as Prime Minister

As **Prime Minister**, you are the lead decision maker for the ODESC System (Officials' Committee for Domestic and External Security Coordination), New Zealand's all hazards, all risks strategic crisis management arrangements.

Under the Intelligence and Security Act 2017 (the Act), the Prime Minister has several roles and responsibilities, including:

- to recommend to the Governor-General appointment of Commissioners of Intelligence Warrants<sup>3</sup>, the Inspector-General of Intelligence and Security (IGIS) and their Deputy, and members of the IGIS Advisory Panel;
- to chair Parliament's Intelligence and Security Committee (ISC),<sup>4</sup> and to present to the House of Representatives for endorsement the names of any changed members of the committee:
- to request the IGIS conduct inquiries into the activities of the intelligence and security agencies.

DPMC administers the Act, with the Ministry of Justice leading on advice related to the IGIS appointments and the periodic review of the Act and the agencies.

<sup>&</sup>lt;sup>2</sup> See annex 1 for a diagram that shows the agencies involved in national security.

The term of the Chief Commissioner of Intelligence Warrants expires in March 2023. We will provide advice on reappointment/replacement in February.

<sup>&</sup>lt;sup>4</sup> ISC is currently scheduled to meet on 15 February – this can be delayed. It is also scheduled for 22 February to consider the financial reports of the NZ Security Intelligence Service and Government Communications Security Bureau – there is little room to delay this due to statutory timelines.

### Related ministerial portfolios

## Government Communications Security Bureau and New Zealand Security Intelligence Service

The NSI portfolio gives you strategic policy and legislative overview responsibilities for the intelligence and security agencies, the Government Communications Security Bureau (GCSB) and the New Zealand Security Intelligence Service (NZSIS).

Ministerial oversight of the day-to-day operational activities of GCSB and the NZSIS sits with the Minister responsible for those agencies. DPMC provides policy advice directly to the responsible Minister where it is related to the Act. We encourage you to meet with the Directors-General at an early stage to get an understanding of the breadth of operational activity and New Zealand's contribution to global security.

#### Cyber security

NSG delivers cyber security strategic and policy advice. Most recently, the Prime Minister has allocated responsibility for cyber security policy (which is part of the National Security and Intelligence portfolio) to the Digital Economy and Communications portfolio.<sup>5</sup> We will provide further advice on responsibilities in this area as appropriate.

#### **Five Country Ministerial**

The Five Country Ministerial (FCM) is an annual meeting of the home affairs, interior, security and immigration ministers of Australia, Canada, New Zealand, the United Kingdom, and the United States of America. Past practice has also been for the Minister for NSI to informally allocate responsibility for attendance at the FCM to another ministerial portfolio. New Zealand attendance in previous years has been by the Ministers of Justice, Immigration or the Minister Responsible for the GCSB and NZSIS. Hon Michael Wood, as Minister of Immigration, attended the last meeting.

New Zealand has agreed to host the in-person FCM in Wellington in the last week of June 2023, with Canada chairing the meeting. We recommend confirming a lead Minister for the FCM at an early stage, along with expectations on how agreed New Zealand positions should be developed with other relevant Ministers.

#### Response to the Royal Commission

NSG also provides advice and support to the Lead Coordination Minister for the Government's response to the Royal Commission (Lead Coordination Minister), through bi-monthly progress reporting, and meetings of Responsible Ministers. NSG provides day-to-day operational oversight for the response and chairs a Response Steering Group (RSG), to support the delivery of this work programme.

Minister for the Digital Economy and Communication, who is also respons ble for the Cyber Security appropriation within Vote Prime Minister and Cabinet.

## Immediate priorities for the Minister for National Security and Intelligence

#### **National Security Strategy**

In July 2022, Cabinet agreed-in-principle to the outcomes of a review of our national security strategic policy settings, including vision, interests, priorities, and principles<sup>6</sup>.

These form the basis for a first National Security Strategy – Secure Together. This new national security approach will guide the work of the national security community, as well as being an important step in cultivating a more open, accessible, and mature conversation with the public on national security, which acknowledges the Treaty of Waitangi Te Tiriti o Waitangi. A Programme of Action will accompany the Strategy.

NSG is on track to deliver this Strategy for Cabinet report back in April 2023. With Cabinet endorsement, there will be an opportunity for you to publicly launch the Strategy before mid-year.

#### National security reform (formerly "machinery of government")

NSG is preparing advice for you and your colleagues on how to achieve a more coherent, accountable, and integrated national security system, and to improve engagement in national security and intelligence across Ministers, the public sector and communities. This work responds to the recommendations of the Royal Commission, while also ensuring that the national security system is geared to deliver the National Security Strategy.

We have been working iteratively with your predecessor to develop a phased approach to this reform, with the aim of taking a paper to Cabinet in March/April on initial direction. We will shortly provide a briefing outlining this work and seek an early opportunity to discuss your preferred approach and timing. Current thinking has not yet been shared with agencies or other Ministers and you may wish to consider this further before progressing to Cabinet.

There will be longer-term funding implications of this work that require consideration, including for Budget 2024.

#### Intelligence and Security Act review

An independent statutory review of the Act provides its report to ISC on 31 January 2023. This review was brought forward to respond to issues raised by the Royal Commission that relate to the Act, and to ensure that the statutory framework for the intelligence and security agencies continues to be clear, effective and fit for purpose. The ISC must consider the report before it is presented to the House of Representatives, and then published. A meeting of the ISC to consider the report has been scheduled for 15 February but we recommend this be deferred to allow more time for consideration of this report.

-

<sup>&</sup>lt;sup>6</sup> ERS-22-MIN-0028, 19 July 2022.

We will provide advice on the review recommendations and a proposed approach and timing for responding in February. This will require amendments to the Act, alongside further system-level policy work. Although the Minister for NSI is responsible for the legislative framework for the intelligence and security agencies, you may wish to delegate responsibility for the legislative process to the Minister Responsible for the GCSB and the NZSIS. We will seek confirmation of your preferred approach.

## Immediate national security priorities for the Prime Minister

You may need to become involved in strategic crisis management early in your portfolio.

The Prime Minister is the lead decision maker in the ODESC system, supported by the DPMC Chief Executive as Chair ODESC. The system focuses on strategic matters, and looks to guide agencies' involvement, to ensure resources are directed to where they are most needed and that risks, implications, and mitigations across agencies are understood and addressed. This also assists the lead agency to concentrate on the operational response.

ODESC has been used as New Zealand's strategic crisis governance mechanism since 2001. The system is designed on the basis that for most emergencies there is a lead agency, but that coordination is needed at a crisis level.

We refer to the ODESC system as being "activated" when coordination is underway. Recent activations include: the Ukraine/Russia conflict; the cyber attack on Mercury IT; and, most recently, the CO<sub>2</sub> shortage. We will supply you with a separate briefing on other current and potential activations. The Chair of ODESC will inform you whenever the ODESC itself (CElevel) is to be convened.

The ODESC System does not override the statutory powers and responsibilities of Ministers, Chief Executives, or statutory officers.

Outside of formal activation, DPMC works with agencies to enhance their readiness capabilities, to potentially minimise consequences and ensure more effective responses.

The National Risk Approach and National Risk Register are key mechanisms to build resilience to New Zealand's most significant risks. They support agencies to take a proactive and coordinated approach to identifying, understanding and managing risks. There are currently 42 risks on the Register ranging from environmental hazards (such as earthquakes) to malicious threats (such as terrorism and violent extremism). DPMC released an unclassified (public facing) version of the Register for the first time in late 2022<sup>7</sup>.

New Zealand's Nationally Significant Risks | Department of the Prime Minister and Cabinet (DPMC), https://dpmc.govt.nz/our-programmes/national-security/national-risk-approach/new-zealands-nationally-significant-risks

## Other priorities for the Minister for National Security and Intelligence

#### Critical infrastructure and resilience

As part of its response to *Rautaki Hanganga o Aotearoa*, *New Zealand's Infrastructure Strategy*, the Government committed to public consultation in the first half of 2023 on the adequacy of New Zealand's current regulatory approach to delivering resilient infrastructure. No Minister or agency has formal responsibility for New Zealand's critical infrastructure system (distinct from the sectors comprising it) so the Minister for NSI is currently responsible for leading this work. Legislation to enhance critical infrastructure resilience is tentatively planned for introduction in 2025, with the first phase of public consultation beginning in April 2023.

In December 2022, Cabinet agreed to the development of bespoke, standalone legislation to enhance the cyber resilience of critical infrastructure, at a faster pace than the broader resilience reform programme. Legislation focused on the cyber resilience is intended to be introduced in 2024, with consultation on the process scheduled for the first half of 2023.

Officials are currently planning to seek Cabinet approval for the public consultation processes for these two legislative programmes, and plan to return to Cabinet in April 2023 with policy options arising from the consultation.

#### Cyber security

Cyber security threats against New Zealand continue to grow in number and complexity, reflecting global trends. In the face of increasing cybercrime and malicious cyber activity, we have an ambitious programme of work to enhance New Zealand's resilience. The strategic work programme seeks to progress the five areas of the Cyber Security Strategy 2019.

While cyber security policy is traditionally allocated to another portfolio Minister, one area we would like to pick up with you, as Minister for NSI, is in relation to cyber tools, to support New Zealand's national security objectives.

#### Foreign interference

You are responsible for the Government's cross-agency Countering Foreign Interference Work Programme. This includes two broad workstreams:

- Protecting democratic institutions and civil and political rights, with a focus on managing risks to our government and electoral systems; academia and media; and our diverse communities; and
- Protecting sustained economic prosperity, with a focus on protecting sensitive technology; strengthening the resilience of our critical infrastructure; limiting security risks associated with foreign control of, and access to, businesses, individuals, and the government; and reducing our exposure to economic coercion.

Priorities for 2023 include:

- Continuing engagement on foreign interference risks with exposed sectors;
- Strengthening the resilience of critical infrastructure;
- Enhancing capacity to manage national security risks in government procurement; and
- Ministry of Justice work to address gaps in the Crimes Act that could curtail our ability to respond to harmful foreign interference.

#### Preventing and countering violent extremism

NSG led the development of a draft Strategic Framework for Preventing and Countering Violent Extremism (PCVE), together with an Action Plan, in 2022. The draft PCVE Strategic Framework sets out a whole-of-society approach to prevention of radicalisation to violence and building resilience to violent extremism. It coordinates and aligns existing and future work and sets out a shared path for government, public sector agencies, research, civil society, and communities. The draft Framework is ready for your review and Cabinet endorsement in early 2023.

Budget 2022 provided \$5 million over three years for a PCVE Grants Fund to implement the Strategic Framework. A total of \$3.75 million is to be delivered through grants, administered by the Department of Internal Affairs (DIA) for civil society and community organisations to undertake prevention initiatives.

#### Responding to disinformation

s9(2)(f)(iv)

s9(2)(f)(iv)

We would welcome an early opportunity to confirm your preferred approach to building New Zealand's long-term resilience to disinformation.

#### National security work on the Pacific region

NSG is increasing its focus on Pacific issues in response to increasing national security concerns highlighted in the s6(a), s9(2)(f)(iv)

forthcoming National Security Strategy. NSG is considering what would be required to enable NSG to take a leading role on Pacific national security issues affecting New Zealand, including improving information sharing and engagement with Pacific countries at both officials and Ministerial levels.

<sup>8</sup>s9(2)(f)(iv)

## Royal Commission of Inquiry into the March 15 terrorist attack on Christchurch masjidain

NSG coordinates a cross-government programme of work in response to the report of the Royal Commission, which made 44 recommendations<sup>9</sup>.

The Government has accepted the findings of the report and agreed in principle to the recommendations. Seventeen agencies are involved in progressing work on the recommendations. You are responsible for nine of the recommendations (with an emphasis on national security system reform and countering terrorism and violent extremism), supported by NSG. Overall, DPMC is leading or contributing to the delivery of 17 out of the 44 recommendations – see Annex 2.

The Lead Coordination Minister intends to invite Cabinet to approve a Royal Commission Outcome Framework (ROF), to aid government agencies and the public to monitor and evaluate the impact of the government's response. NSG will update the Lead Coordination Minister on progress in February 2023 and present recommendations to Cabinet in early 2023.

#### Kāpuia

Kāpuia provides independent advice to the Royal Commission Lead Coordination Minister. Kāpuia also provides feedback directly to Government agencies on policy development and implementation options.

Kāpuia has 30 members from a range of faith, ethnic and cultural backgrounds. Kāpuia has so far provided five formal letters of advice to the Lead Coordination Minister, and these are published online for transparency, together with a reply from the Minister.

#### Review of the National Security Intelligence Priorities

The National Security Intelligence Priorities (NSIPs) provide you and Cabinet an opportunity to set the Government's priorities for intelligence, assessment and other relevant reporting that supports our understanding of national security issues.

NSG is reviewing the NSIPs to align them with the upcoming National Security Strategy, for Cabinet consideration in April, alongside the Strategy.

These covered: national security system reform, countering terrorism and violent extremism, firearms licensing, supporting the ongoing recovery needs of affected whanau, survivors and witnesses, social cohesion and New Zealand's response to our increasingly diverse population, and implementation mechanisms.

## Other national security priorities for the Prime Minister

#### National Security Long-term Insights Briefing is ready for tabling

DPMC and the Ministry of Foreign Affairs and Trade have been working with Security and Intelligence Board agencies to develop a National Security Long-term Insights Briefing. The topic is Let's talk about our national security – Engaging an increasingly diverse Aotearoa New Zealand on national security risks, challenges and opportunities. The main purpose is to build greater awareness and understanding among New Zealanders about our national security. It looks at threats such as cyber-attacks, terrorism, violent extremism, disinformation, and transnational organised crime.

We have completed public consultation on the draft and the final Briefing is now ready for tabling in Parliament by a departmental Minister as required under the Public Service Act 2020. We will seek your views on whether the Prime Minister or another relevant Minister should table the final Briefing.

#### National Security Public Survey results to be published in May

In early 2022, NSG ran the first National Security Public Survey, seeking the views and concerns of New Zealanders about national security issues. We plan to run this survey annually. The next one will run from early February to early March, with results and a final report available in May.

#### **Terrorist designations**

As Prime Minister, you are empowered under the Terrorism Suppression Act 2002 to designate entities as 'terrorist entities' if you believe on reasonable grounds that they have knowingly carried out one or more terrorist acts. It is an offence under New Zealand law to deal with a designated entity's property, financial or related services, or to knowingly recruit for the group. There are 22 entities designated within New Zealand, as well as several thousand designated under equivalent United Nations sanctions.

The Ministry of Justice administers the legislation, with policy support on designations provided to you by NSG, based on the recommendations of the Security and Intelligence Board. There are three entities due for renewal by June 2023 and we will provide information to support your decision.

The House is considering amendments to the Terrorism Suppression Act 2002, to clarify the powers of the Prime Minister in renewing the designations of terrorist entities who are imprisoned within New Zealand. This change will ensure that an imprisoned person's designation can be maintained while they pose a risk of being involved in terrorism and requires a three-yearly review of the designation by the Prime Minister. The Minister of Justice will propose arrangements to undertake the three-yearly review in a Cabinet paper in April.

New Zealand Police is leading the development of a business case for a public reporting system, responding to a Royal Commission recommendation. In Budget 2022, Cabinet agreed a tagged contingency for the reporting system, contingent on a business case being provided in May 2023.

### **National Security Group supports you**

DPMC stewards the national security system on your behalf. The CE of DPMC is New Zealand's lead official for national security.

NSG is a business unit of DPMC. The Deputy Chief Executive National Security, Tony Lynch, supports the CE by overseeing the functioning of the national security system, advising on direction, chairing the CE-level governance groups – the Security and Intelligence Board and the Hazard Risk Board – and overseeing the performance of the functions of the CE under the Act, including the National Assessments Bureau's assessments.

NSG consists of 127 staff, located mainly in Wellington, with some in Auckland and Christchurch.

See annex 3 for a high-level diagram showing NSG senior leaders.

NSG works with other agencies to support the operation of the national security and ODESC systems to recognise and assess potential national security threats and risks to New Zealand; reduce risks where possible; build and maintain readiness; and ensure responses to, and recovery from, significant crises are timely, coordinated, and effective.

NSG has a statutory role in relation to the intelligence community. This includes the provision of intelligence assessments to Ministers and departments, advice to Ministers on priorities for intelligence collection and analysis, and advice to departments on best practice for intelligence assessments.<sup>10</sup>

NSG also supports you with advice relating to the Cabinet External Relations and Security Committee (ERS), with the PM's Weekly Briefing on intelligence issues, the National Security and Intelligence fortnightly report, advice as Chair of ISC, and as sector leader.

#### Intelligence coordination and ministerial briefings

NSG works with the national security system to ensure intelligence is focussed in the most important areas. In 2022 we made progress to better integrate intelligence, assessment, and national security policy, as was called for by the Royal Commission.

The Intelligence and Security Act requires the Chief Executive of DPMC to designate an employee of DPMC to carry out the functions related to intelligence assessment. This is designated to the Director National Assessments Bureau.

#### **Assessments**

DPMC's statutory role includes the provision of intelligence assessments to Ministers and departments, and advice to departments on best practice for intelligence assessments. The Chief Executive of DPMC designates these functions to the Director of the National Assessments Bureau (NAB) within NSG, who is required to act independently.

NAB is New Zealand's central assessments agency. It provides assessments and briefings on issues relevant to New Zealand's national security and international relations. It draws on all available sources of information, including classified material, diplomatic reporting, and open sources (NAB itself does not collect classified intelligence).

NAB's regional priorities are the Pacific and East Asia, and currently Russia/Ukraine. It also focuses on global strategic trends that directly impact our internal security (e.g., climate change, energy supplies, disinformation, violent extremism) and our interests in the global commons (e.g., Antarctica, space) and emerging technologies.

#### Priorities discussion and engagement

As discussed above, there is a wide range of national security-related work underway, with Cabinet decisions and public engagement scheduled, and in some cases announced, over the next few months.

We will discuss these with you to confirm NSG is focused on your immediate priorities, as both Prime Minister and Minister for NSI.

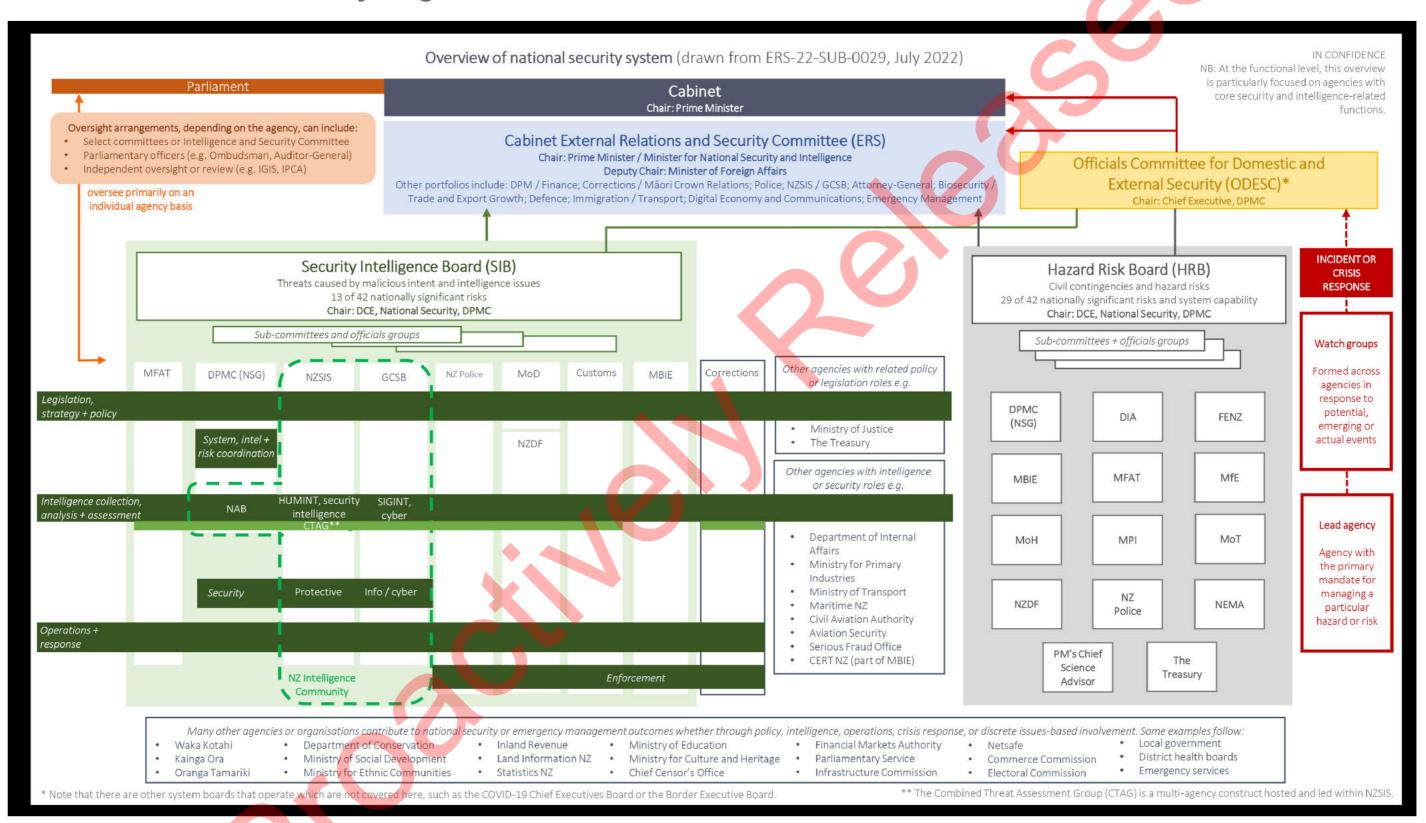
### Funding and reporting

The Department of the Prime Minister and Cabinet administers all appropriations within Vote Prime Minister and Cabinet. Appropriation funding for the NSI portfolio sits within the department's Advice and Support Services Multi-Category Appropriation. The Prime Minister is also responsible for a non-departmental appropriation - Centre of Excellence for Preventing and Countering Violent Extremism.

The Minister for the Digital Economy and Communications is responsible for the Cyber Security appropriation within Vote Prime Minister and Cabinet.

DPMC's departmental Briefing to the Incoming Prime Minister provides advice on any Budget 2023 initiatives within Vote Prime Minister and Cabinet.

### Annex 1 - National security diagram



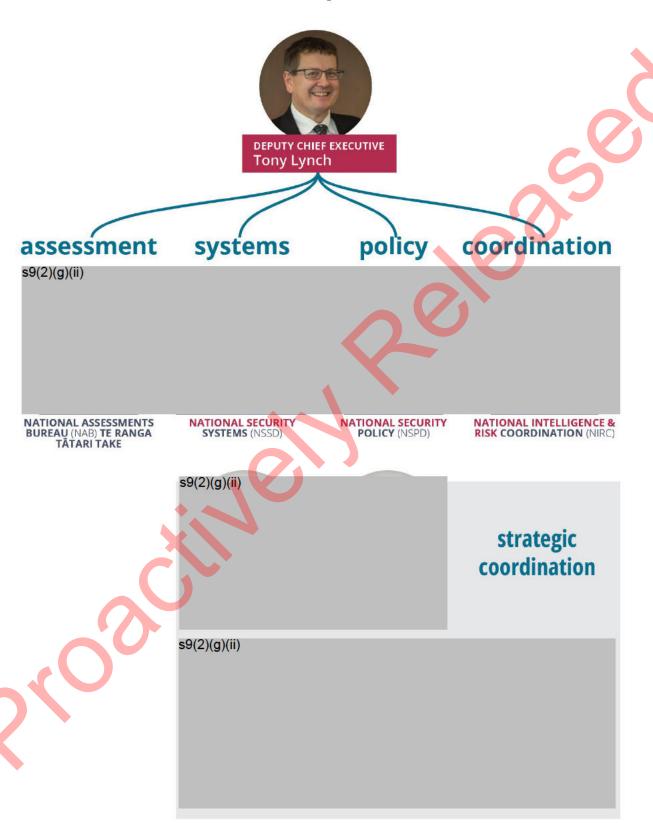
## Annex 2 – Royal Commission recommendations DPMC is leading or contributing to

- 1..... Ensure a minister is given responsibility and accountability to lead and coordinate the counter-terrorism effort.
- 2..... Establish a new national intelligence and security agency that is wellresourced and legislatively mandated to be responsible for strategic intelligence and security leadership functions.
- 3..... Investigate alternative mechanisms to the voluntary nature of the Security and Intelligence Board, including the establishment of an Interdepartmental Executive Board.
- 4..... Develop and implement a public facing CT/CVE strategy.
- 6..... Strengthen the role of the Intelligence and Security Committee.
- 7..... Establish an Advisory Group on CT.
- 8..... Include a summary of advice from the Advisory Group and actions taken in response, when providing advice on the National Security and Intelligence Priorities and annual threatscape report.
- 9..... Improve intelligence and security information-sharing practices.
- 10.... Direct access agreements.
- 11 .... Security clearances and appropriate access to information management systems and facilities.
- 14.... Establish a programme to fund independent NZ-specific research.
- 15.... Create opportunities to improve public understanding on violent extremism and terrorism in NZ, with ongoing public discussions.
- 16.... Establish an annual hui on CVE and CT.
- 17.... Require in legislation publication of the NSIPs and referral to ISC for consideration; publication of an annual threatscape report; and the ISC to receive and consider submissions on the NSIPs and threatscape report.
- 18.... Review all legislation related to the counter-terrorism effort to ensure it is current and enables Public sector agencies to operate effectively, prioritising consideration of the creation of precursor terrorism offences in the Terrorism Suppression Act, the urgent review of the effect of section 19 of the Intelligence and Security Act on target discovery and acceding to and implementing the Budapest Convention.
- 27.... Discuss with whānau, survivors and witnesses what, if any, restorative justice process might be desired, and how they would be designed and resourced.
- 43.... Appointment of a Minister to lead and coordinate the response to and implementation of the report's recommendation. (COMPLETED)
- 44.... Establish an Implementation Oversight Advisory Group. (COMPLETED)

#### PAG-led recommendation

38.... Require all Public sector community engagement to be in accordance with New Zealand's Open Government Partnership commitments.

### Annex 3 – Our leadership team



### Annex 4 – Common acronyms

CSSCC	Cyber Security Strategy Coordination Committee
CTCC	Counter-terrorism Coordination Committee
CT Strategy	New Zealand's Countering Terrorism and Violent Extremism Strategy
ERS	Cabinet External Relations and Security Committee
FCM	Five Country Ministerial
FICC	Foreign Interference Coordination Committee
HRB	Hazard Risk Board
IGIS	Inspector-General of Intelligence and Security
ISA	Intelligence and Security Act 2017
ISC	Parliamentary Intelligence and Security Committee
ITEPA	International Terrorism (Emergency Powers) Act 1987
LTIB	Long-term Insights Briefing
MESC	Major Events Security Committee
MPS	Ministerial policy statement
NAB	National Assessments Bureau
NAC	National Assessments Committee
NCPO	National Cyber Policy Office
NICC	National Intelligence Coordination Committee
NIRC	National Intelligence and Risk Coordination Directorate
NSG	National Security Group
NSI	National Security and Intelligence
NSIPs	National Security Intelligence Priorities
NSPD	National Security Policy Directorate
NSSD	National Security Systems Directorate
ODESC	Officials' Committee for Domestic and External Security Coordination
Royal Commission	Royal Commission of Inquiry into the terrorist attack on Christchurch masjidain on 15 March 2019
RSG	Response Steering Group
SIB	Security and Intelligence Board