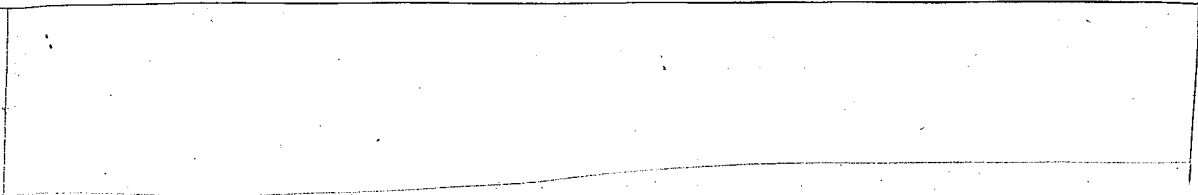


ENHANCING NEW ZEALAND SECURITY INTELLIGENCE SERVICE (NZSIS) CAPABILITY TO PROVIDE SECURITY INTELLIGENCE ADVICE

Introduction

1. New Zealand is part of a world which has become increasingly security focused. Until the late 1970s, the pace of economic and political change world-wide was steady and relationships between nations were heavily influenced by a small number of super powers. Today, and especially since 11 September 2001, the international security environment is characterised by a range of complex and diverse threats that have emerged from both traditional and non-traditional sources. That has had a significant impact on New Zealand's domestic security environment.
2. The threat of international terrorism has increased, and so also has the perception and understanding of that threat. Counter-terrorism dominates the work and focus of intelligence and security agencies around the world and Islamic extremism is assessed as a serious and enduring threat that is set to dominate the security environment for the foreseeable future.

3.

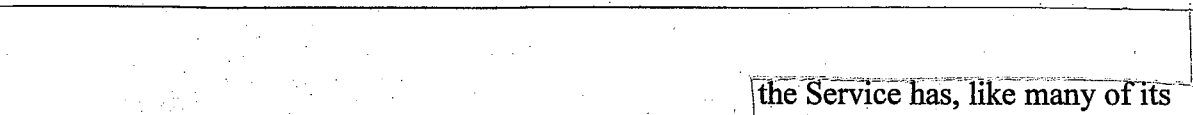


4. In an increasingly globalised world, New Zealand is as much at risk from these threats as any other country, and there is an expectation by Government and the public, in New Zealand as elsewhere, that intelligence will play a part in protecting this country - its citizens and its reputation - from the threats which have been identified.

Background

5. The NZSIS underwent substantial and rapid change in the four years following the events of 11 September 2001. In particular, its capacity for domestic counter-terrorism increased significantly. Changes included an increase in total staff numbers from 100 to around 150, and an increase in baseline funding from \$11.5m in 2000/01 to \$19m. in 2004/05. The Service's baselines underwent a full review in early 2000, but the changed circumstances since that time rendered obsolete the baseline predictions from that review.

6.

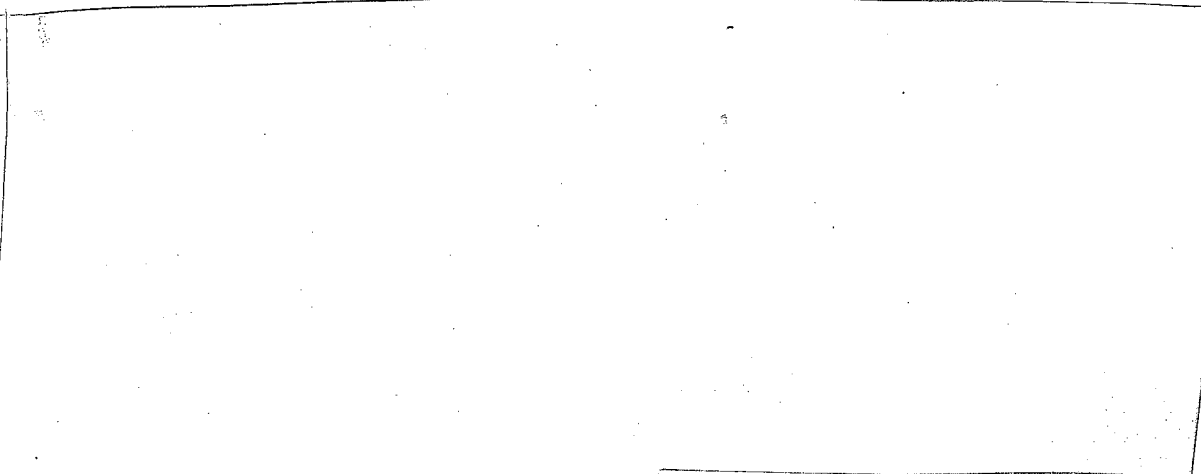


the Service has, like many of its counterpart organisations overseas, grown over the last three years in response to the threat of international terrorism. From a low point of 100 in June 2001, the Service has around 150 staff today.

NOTICE: INCOMPLETE DOCUMENT

Part of this document has been withheld under the terms of the
() Privacy Act 1993
(✓) Official Information Act 1982

7.



8.

requires decisions on:

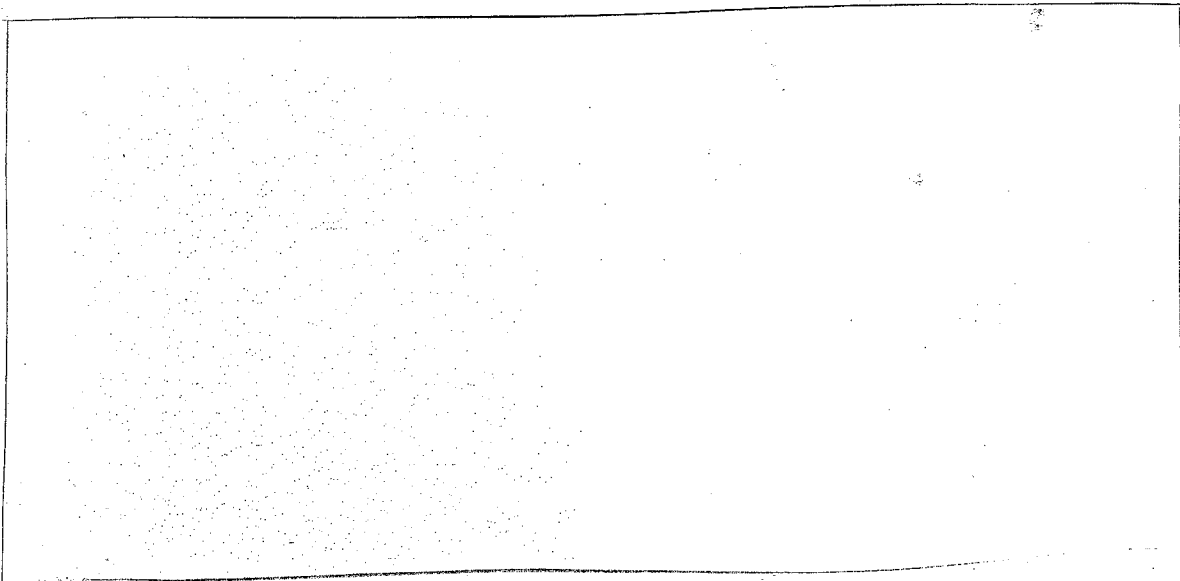
- The level of resourcing for the Service's security intelligence responsibilities for the next three years. That, in turn, requires judgements on:
 - the coverage that New Zealand needs to identify and manage risks to its own security;
 - the contribution New Zealand should make, and be seen to make, to international efforts to combat terrorism.



9. The purpose of this paper is to provide background to the Service's Security Intelligence (SI) effort, its SI Objectives setting process, its current capabilities for SI collection, analysis and the delivery of advice, outline the challenges and demands the Service is facing in this effort, and explore a number of options for the future shape of its SI capability.

Recent History

10.



11.

12. Following the 11 September 2001 terrorist attacks, resources were immediately diverted from other areas into the Service's counter terrorism effort.

in budget for 2001/02. Recognising this, Government agreed to a 12% increase

The additional funding allowed for the
and the
which has proved to be a significant force multiplier in the Service's security
intelligence effort.

13

14. A small increase in budget for 2003/04 was approved, principally to fund the targeted remuneration and retention measures introduced the previous year and which had proved effective.

15

16