



BORDER EXECUTIVE BOARD

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**BORDER
EXECUTIVE BOARD
ANNUAL REPORT
2020/21**

For the period 11 January 2021 to 30 June 2021

Presented to the House of Representatives pursuant to section 44 of the Public Finance Act 1989

PERFORMANCE AND ACCOUNTABILITY FOR NEW ZEALAND'S BORDER



NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

Ministry for Primary Industries
Manatū Ahu Matua



**MINISTRY OF
HEALTH**

MANATŪ HAUORA



TE MANATŪ WAKA
MINISTRY OF TRANSPORT

Border Executive Board Annual Report

For the period 11 January 2021 to 30 June 2021

The Border Executive Board has a waiver from the Minister of Finance, under section 45AB of the Public Finance Act 1989, from the requirement to include financial statements in this annual report.

Financial information about the Border Executive Board's assets, liabilities, expenditure and revenue can be found in the New Zealand Customs Service Annual Report, as the servicing department.

The Border System Performance appropriation, which supports the Border Executive Board, is administered by the New Zealand Customs Service. As the administrator, performance information for the appropriation is reported in the New Zealand Customs Service Annual Report.

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Border Executive Board's overview

The Border Executive Board came into being in January 2021. Since then we have worked at significant pace establishing our work programme, setting up new initiatives, and responding to the demands on the border from COVID-19 to keep New Zealanders safe and to support the economy.

Our formal joint accountability and leadership gives greater strength across our six agencies as we continue to build positive and collaborative ways of working. Clear and agreed priorities are making it easier for people to do their jobs and ensure there are no gaps at the border.

Our first six months have been dominated by COVID-19 and the necessity to change our border responses constantly in order to manage the impacts of COVID-19. The people in our agencies, and those we work with across the public and private sector, have shown great commitment to the pandemic response in their work at the border. This has been a fundamental part of New Zealand's successful implementation of a COVID-19 elimination strategy.

Our 25,000 strong workforce was recognised as a finalist in the Public Service Commission's Spirit of Service Awards 2021.

These awards celebrate outstanding public service motivated by a spirit of service to the community.

Our border staff were prioritised for early vaccinations and taking an Educate, Expect, Support approach with our people, we achieved very high rates of vaccination of front line staff. These same people continue to be COVID-19 tested every seven or 14 days.

We have helped to keep New Zealand safe from COVID-19 and we have supported the economy through strong joint delivery.

We have started work on initiatives that will make a difference to New Zealand's border into the future, beyond COVID-19.

We know the year ahead is likely to involve more changes to the border as COVID-19 evolves and as we implement the systems and settings to enable Reconnecting New Zealanders to occur in 2022.

We are looking forward to implementing our exciting work programme as we continue to provide a strong, safe, smart and reliable border for New Zealand.

Ngā mihi



Christine Stevenson

Chair
Comptroller of Customs



Ray Smith

Director-General
for Primary Industries



Carolyn Tremain

Secretary for Business,
Innovation and Employment
and Chief Executive



Chris Seed

Secretary of Foreign Affairs
and Trade



Dr Ashley Bloomfield

Director-General of Health



Peter Mersi

Chief Executive for
Ministry of Transport

**KŌ WAI
MĀTOU, HE
AHA HOKI Ā
MĀTOU MAHI
WHO WE ARE
AND WHAT
WE DO**

A new way to deal with complex issues

The Border Executive Board officially started on 11 January 2021 and was the first interdepartmental executive board under the Public Service Act 2020.

An interdepartmental executive board is new way to deal with complex issues that cannot be solved by one single public service agency. It brings together agency chief executives to work collectively with joint accountability, on a particular subject; in this case New Zealand's border.

The members of the Border Executive Board are the chief executives of the following agencies:

- Manatū Ahu Matua – Ministry for Primary Industries
- Hikina Whakatutuki – Ministry of Business, Innovation and Employment

- Manatū Aorere – Ministry of Foreign Affairs and Trade
- Manatū Hauora – Ministry of Health
- Te Manatū Waka – Ministry of Transport
- Te Mana Ārai o Aotearoa – New Zealand Customs Service.

The responsible Minister is the Minister for COVID-19 Response. The Chair is the Comptroller of Customs.

A small secretariat team supports the Board and is funded through the Vote Customs Border System Performance appropriation.

Border Executive Board	Purpose of any interdepartmental board	Support member departments to undertake priority work in a subject matter area
		Align and coordinate strategic policy, planning and budgeting
		Support cross-departmental initiatives in a subject matter area
	Remit of Board and Members of the Board	New Zealand Customs Service Ministry of Health Ministry of Business, Innovation and Employment Ministry for Primary Industries Ministry of Transport Ministry of Foreign Affairs and Trade
	Joint responsibility to Minister and Cabinet	Performance and accountability for New Zealand's border
	Work programme pillars	<p style="text-align: center;">Stewardship</p> <p style="text-align: center;">COVID-19: Safe and Smart Border</p> <p style="text-align: center;">Systems Improvements</p>

Support to the Border Executive Board	Secretariat team	Established by Cabinet to have a small group of people support the work of the Border Executive Board
	New Zealand Customs Service	Servicing Department – named in the Public Service Act 2020 to provide administrative support Vote Administrator – administers Border System Performance appropriation via Vote Customs Chair – Comptroller of Customs, appointed by the Public Services Commissioner
	Agencies of the six chief executive members	The six agencies inform, collaborate and implement the Border Executive Board work programme

Building on a strong history of collaboration

Border agencies have a long history of working together and this has enabled our modern border system.

The Border Sector Governance Group was established in 2007 by border chief executives¹ who saw the value of collaborating on technological projects, process changes, and data sharing agreements.

The mandate of the Group was updated in June 2020, in response to COVID-19, to strengthen governance across the border system. This included extending membership to include the Ministries of Health, and Foreign Affairs and Trade.

While the informal collaboration model supported a joined up border, it relied on a lead agency for an initiative and it was difficult at times to retain the input and support of partner agencies for system benefits realised elsewhere.

Continuing to provide a safe and smart border system requires strong commitments to joint working and assurance that there are no gaps in the management of new and emerging risks; such as COVID-19.

Establishing an interdepartmental executive board, under the Public Service Act 2020, responds to the new environment by giving joint accountability to the six chief executives responsible for border functions.

Agency	Border functions
 <p>NEW ZEALAND CUSTOMS SERVICE TE MANA ARAI O AOTEAROA</p>	<p>Protect and promote New Zealand across borders</p> <ul style="list-style-type: none"> • Passenger, goods and craft clearance • Revenue collection at the border • Disruption to organised crime (especially drugs)
 <p>MINISTRY OF HEALTH MANATŪ HAUORA</p>	<p>Lead and shape New Zealand's health and disability system to deliver a healthy and independent future for all New Zealanders</p> <ul style="list-style-type: none"> • Screen passenger and crew health • Issue pratique • Respond to ill travellers • Ship sanitation certification
 <p>MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT HIKINA WHAKATUTUKI</p>	<p>Helping grow New Zealand for all to improve the wellbeing of New Zealanders</p> <ul style="list-style-type: none"> • Verify right to enter New Zealand • Disruption of people smuggling • Deliver managed isolation and quarantine
 <p>NEW ZEALAND FOREIGN AFFAIRS & TRADE Manatū Aotere</p>	<p>Acting in the world to build a safer, more prosperous and more sustainable future for New Zealanders</p> <ul style="list-style-type: none"> • Quarantine free travel • Consular communications • Support for border exemptions, and maritime and air border settings
 <p>Ministry for Primary Industries Manatū Ahu Matua</p>	<p>Helping to seize export opportunities for our primary industries, improve sector productivity, ensure the food we produce is safe, increase sustainable resource use, and protect New Zealand from biological risk</p> <ul style="list-style-type: none"> • Screen goods and craft for pests • Screen passengers
 <p>TE MANATŪ WAKA MINISTRY OF TRANSPORT</p>	<p>Enabling New Zealanders to flourish</p> <ul style="list-style-type: none"> • Screen passenger and cargo exits via Aviation Security Service • Registration of air services • Set standards for port security via Maritime New Zealand

¹ The Border Sector Governance Group was the New Zealand Customs Service, Ministry for Primary Industries, Ministry of Business, Innovation and Employment, and Ministry of Transport.

Having joint accountabilities

The Border Executive Board has four accountabilities.

- **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.
- Ensuring any gaps or **future risks** from people, goods and craft at the border will be addressed, where the risks are not already being managed by an existing agency or another government process.

- Ensuring there are **no gaps** in end-to-end border processes, integrating health risk management, particularly for a robust COVID-19 response while preparing to reopen the borders.
- Managing the significant and pressing **fiscal challenges** the border sector is facing as a result of decreased revenues from cost-recovery activities because of the COVID-19 pandemic.

Chief executives are accountable for their agency's contribution to the Border Executive Board work programme. They also retain their usual responsibilities for agency performance and accountability to individual portfolio ministers.

Three pillars to the work programme

The Border Executive Board established a work programme based on three pillars.

- **COVID-19: Safe and Smart Border** – co-ordination and facilitation to ensure delivery of the border sector's contribution to the COVID-19 response.
- **Stewardship** – strategy and governance to support the performance of the border system now and into the future.

- **Systems improvements** – coordination and facilitation to deliver key initiatives to support a safe and smart border now and into the future.

The work programme, as at 30 June 2021, is shown to the right.

BORDER EXECUTIVE BOARD			
DCE GROUP – COVID-19	DCE GROUP – STEWARDSHIP & SYSTEMS IMPROVEMENTS		
COVID-19: SAFE AND SMART BORDER	STEWARDSHIP	SYSTEMS IMPROVEMENTS	
BORDER ORDERS <ul style="list-style-type: none"> Air Border Order <ul style="list-style-type: none"> Travellers from Very High Risk Countries [BEB & MoH] Pre-departure testing [NZCS & MoH] Exceptions & exemptions [MoH] Maritime Border Order [NZCS] 	GOVERNANCE	DATA & PRIVACY [NZCS & MBIE] <ul style="list-style-type: none"> Policy & legislative settings for border information sharing Information sharing for priority projects Future mechanisms to support information sharing 	
	STRATEGIC DIRECTION <ul style="list-style-type: none"> Border strategy [BEB] 		
RECONNECTING – SAFE AND SMART BORDER <ul style="list-style-type: none"> Quarantine free travel <ul style="list-style-type: none"> Air [NZCS] Maritime [MoH] Travel health pass [NZCS & MoT] <ul style="list-style-type: none"> Nau Mai Rā [MoH] Reconnecting New Zealanders [DPMC] Elimination strategy [MoH] 	RISK AND ASSURANCE <ul style="list-style-type: none"> Risk and assurance frameworks [BEB] Border system performance measures [BEB] 	DIGITAL BORDER [MPI, MBIE & NZCS] <ul style="list-style-type: none"> Digital declaration (links to Travel Health Pass) Technology and algorithms (RTT x-ray) Smart exit gate 	
BORDER WORKFORCE <ul style="list-style-type: none"> Testing [MoH] Vaccination [MoH] 	COVID-19	RISK AND ASSURANCE <ul style="list-style-type: none"> Review of air border measures [BEB] Review of maritime border measures [BEB] Review of border worker testing [BEB] Rapid reviews [BEB] 	INTEGRATED TARGETING [NZCS & MBIE] <ul style="list-style-type: none"> ITOC governance structure ITOC as a joint border asset Targeting service to support 24/7 operations Investigate viability of joint venture model
MIQ <ul style="list-style-type: none"> Cohorting arrangements [MBIE] Future workforce sourcing strategy [MBIE] Medium-term approach to MIQ facilities [MBIE] 	COVID-19	AHUMONI HOAHOA (FINANCE) <ul style="list-style-type: none"> New requirements for safe & smart border (COVID-19) [NZCS] Financial sustainability (short term) [NZCS] Cost recovery of border charges (longer term) [MPI] Collective investments [NZCS] 	HEALTH AT THE BORDER [MoH] <ul style="list-style-type: none"> Integrating health intelligence and risk assessment Establish a regular function of health at the border Ability to escalate health measures Integration with Maritime NZ
	SYSTEM IMPROVEMENTS		INFRASTRUCTURE AT AIRPORTS <ul style="list-style-type: none"> Enforceable Regulatory Undertaking [MoT] Auckland Airport Expansion [NZCS & MoT]



E KAUNEKE PĒHEA ANA NGĀ MAHI OUR PROGRESS

Our progress

The first six months has involved establishing the Border Executive Board and providing substantial co-ordination and advice to support the COVID-19 response at the border.

The border agencies have worked together, and in partnership with industry, to progress the work programme.

Together, this has recognised and prevented gaps occurring at the border, provided leadership where there was no clear owner, and ensured activity and advice had a border system view.

The Border Executive Board actions have kept the border system connected, while individual agencies continue with their day-to-day border and non-border functions.

The Border Executive Board agencies came together to deal with complex issues, often in a fast-paced, high demand environment.

He waka eke noa
We're all in this together

Stewardship

The chief executives of the Border Executive Board met most weeks since January 2021. This reflected the dynamic and challenging nature of the impacts of COVID-19.

Establishing a work programme clarified priorities and enabled progress to be monitored. This also enabled border agencies to be clear about their particular contribution and to be able to prioritise their border and non-border work. The Border Executive Board will regularly review and update the work programme so it evolves to support our joint accountabilities.

During the year the Border Executive Board sought assurance that the border sector was operating as it should. External assurance was carried out on significant matters as needed. Assurance activity included:

- implementing the recommendations from the October 2020 report on COVID-19 Review of Border Measures – Air
- progressing the COVID-19 Review of Border Measures – Maritime
- completing tranche 1 (Managed Isolation and Quarantine) of the COVID-19 Rapid Review of Border Worker Testing
- completing a rapid review of quarantine-free travel implementation with Australia to support continuous improvement, particularly around pauses
- regular reporting from Managed Isolation and Quarantine's own assurance.

COVID-19: Safe and smart border

The border sector is a key contributor to the COVID-19 response and to the Government's programme Reconnecting New Zealanders, led by the Department of the Prime Minister and Cabinet.

A significant amount of time, both as a Board and as individual agency chief executives, has gone into the response to COVID-19 to keep New Zealanders safe and to maintain critical supply chains.

The Border Executive Board responded to continual change in border settings as COVID-19 evolved. With individual agencies providing specific advice and operational activity, the Border Executive Board ensured agencies were connected, had a border system view, and there were no gaps.

The annual reports of the six border agencies highlight how COVID-19 has influenced their work.





Leading the border sector to open up travel opportunities

Two-way quarantine-free travel between New Zealand and the Cook Islands commenced on 17 May 2021. Travel from the Cook Islands to New Zealand had been in place from 21 January 2021.

The Border Executive Board provided sector leadership and governance for multiple government and non-government agencies to prepare and implement travel arrangements.

The Ministry of Foreign Affairs and Trade led the negotiation arrangements with the Ministry of Health and other border agencies providing assurance of safety, process and systems.

The Border Executive Board regularly checked arrangements, resolved matters and supported continual learning and refinement of processes.

The first two-way quarantine-free flight to Rarotonga departed Auckland with 297 passengers. Between 17 May 2021 and 30 June 2021, over 5,500 passengers have travelled between New Zealand and the Cook Islands, enjoying quarantine-free travel due to the combined effort of border agencies.



COVID-19 vaccine:
Protecting Aotearoa

Protecting border workers to protect New Zealanders and the economy

In February 2021, the border sector began a vaccination programme for border workers doing activity that put them at higher risk of contracting and transmitting COVID-19.

The Border Executive Board established a cross agency co-ordination group, embedded within the Ministry of Health and led by the Ministry of Business, Innovation and Employment, to maximise uptake of vaccination. Communications with staff were designed to educate and explain vaccination, clarify expectations, and provide support.

The Border Executive Board asked their own staff about vaccination to find out what was working and what concerns people had including around employment options.

The members shared the findings to keep agencies connected, staff supported, and the goal of border workers being vaccinated on track.

Vaccinating border workers was new and agencies came together to resolve challenges. Issues included collecting and sharing information, accuracy of data, information about a new vaccine, and re-deployment options for those unable or unwilling to be vaccinated.

From 30 April 2021, the COVID-19 Public Health Response (Vaccinations) Order 2021 made it mandatory for all core government agency staff and Managed Isolation and Quarantine workers to be vaccinated.

In June 2021, the Vaccinations Order was amended to encompass all workers at the border.

As part of the Border Executive Board's assurance role, an independent review of border worker testing for Managed Isolation and Quarantine workers was completed. A review of other border workers testing has started.

Systems improvements

The work programme established six initiatives to drive a safe and smart border now and beyond COVID-19. The scope of each initiative was approved and regular reporting is being established to support progress.

Collective leadership and a system approach has helped to prioritise work and resources within and across individual agencies.

Programme management of Systems Improvements was implemented due to the complexity and significance of the initiatives. This approach enabled establishment of good governance, clarity of scope, and clear leadership for each initiative.

Programme management also reduces duplication and makes it easier to manage multiple dependencies (of which there are many).

Data sharing and privacy 

Sponsor: Immigration New Zealand

Provide advice on policy and legal settings for border sector data sharing and privacy functions to enable an effective border.

Digital border 

Sponsor: Ministry for Primary Industries

Implement a border management approach that minimises risk to New Zealand, through reduced biosecurity, commodity and passenger risk and provides a seamless and efficient entry for no risk passengers and their luggage; enabling the right focus on non-compliance and potential risk.

Integrated targeting 

Sponsor: New Zealand Customs Service

Enhance the border targeting and risk identification capabilities of the Integrated Targeting and Operations Centre (ITOC), improve border agency participation, drive more coherent agency responses at the border, and investigate the potential of a joint venture model.

Health at the border 

Sponsor: Ministry of Health

Establish an ongoing health presence at the border enabling sustained and sustainable management of health security at international points of entry and exit.

Infrastructure at airports 

Sponsor: Ministry of Transport

Provide line of sight to airports on border agencies' space requirements to deliver government outcomes at the air border. Establish Enforceable Regulatory Undertakings to support these requirements and airport master planning.

Ahumoni hoahoa 

Sponsor: New Zealand Customs Service

Investigate joint investment and procurement mechanisms that can drive and enable border system innovation.

The year ahead

COVID-19 is expected to dominate the focus of the Border Executive Board in the coming year as it continues to evolve and require changes to border settings for policy, people, and processes. We will continue to support re-opening the border through the Reconnecting New Zealanders programme.

The Systems Improvements initiatives underpin an effective and joined up border system and these will continue to be progressed.

Work will also continue on financial sustainability. This will address funding the Traveller Health Declaration System and bring agency views into a border sector outlook to identify opportunities for investment collaboration, efficiencies, and funding.

The health and safety of border sector workers will continue to be a priority so they can continue to keep New Zealanders safe and maintain their own wellbeing.



A MĀTOU WHAKAHAERE HOW WE WORK

The chief executives met frequently

The Border Executive Board chief executives met as required to progress the work programme and manage risk and opportunities.

From 11 January 2021 to 30 June 2021, the Board met 19 times with a focus on COVID-19 related activity.

The meetings are the main way to ensure joint accountability. Meeting in person was encouraged to support effective leadership and build the culture of a new board.

Meeting 19 times in the past six months shows the demands on the border sector's response to COVID-19.

Chair

The Comptroller of Customs is the Chair. The Chair has responsibility for leading the Border Executive Board, ensuring the chief executives met at the required frequency with appropriate content.

The Chair also supports work outside of board meetings. This included being the first point of contact for border system matters, representing the border with Ministers and stakeholders, and administering day-to-day activities with the Interim Executive Director.

The Border Executive Board's terms of reference and operating protocols are published on the New Zealand Customs Service website www.customs.govt.nz.

Support from a dedicated Secretariat Team

The Border Executive Board is supported by a small secretariat team that enables governance of the border system and achievement of accountabilities.

The secretariat is funded by the Border System Performance appropriation as part of Vote Customs.

The secretariat coordinates and facilitates activity and advice, managing issues and opportunities, risk and assurance activity, advice to the Board and Ministers, and providing support for Board meetings. This activity ensured the right people have been involved at the right time, risks have been identified and escalated where appropriate, and that activity has had clear next steps to enable progress.

Secretariat staff are employees of, or are seconded to, the New Zealand Customs Service. As at 30 June 2021, the secretariat had five staff. These were from the Department of the Prime Minister and Cabinet, the Ministry of Business Innovation and Employment, and groups within the New Zealand Customs Service.

The secretariat was led by an Interim Executive Director, with the permanent appointee joining on 12 July 2021. One of the priorities in the coming year is to work with the Executive Director to confirm the secretariat team and ongoing funding.

Oversight groups informed and enabled the work programme

A range of oversight groups exist that inform and enable progress of activity at an initiative, COVID-19, border, and all-of-government level.

The Border Executive Board established two Deputy Chief Executive (DCE) groups to inform and support delivery of the work programme. The groups were:

- DCE COVID-19 – members from the six border agencies that met weekly
- DCE Stewardship and Systems Improvements – members from the six border agencies plus the operational transport Crown entities Civil Aviation Authority (Aviation Security Service function) and Maritime New Zealand that met monthly.

New Zealand Customs Service is the servicing department

The New Zealand Customs Service provided administrative and corporate support to the Border Executive Board as the servicing department.

Customs also administered the appropriation Border System Performance as the Vote Administrator. These arrangements reduce the administrative burden on the Border Executive Board and the small secretariat team.

Connected to the public and private sector

To be successful, the Border Executive Board has to be connected to, and work with, a range of public and private sector organisations. Over the past six months, it has worked to understand the implications of decisions to maintain the performance of the border system.

An example was the introduction of quarantine-free travel. This involved working closely with the aviation sector to understand the implications of travel requirements, ensuring regular and timely updates, and understanding their travel route capacity.

Public service agencies have a strong working relationship. During COVID-19, agencies have worked together to ensure an all-of-government approach with the Border Executive Board working closely with the Department of the Prime Minister and Cabinet.

Six agencies working together

The agencies of the six chief executive members worked together to provide resources to inform, collaborate, and deliver the Border Executive Board work programme.

Further details about the progress and achievements of each agency can be found in their annual reports.



STATEMENT OF RESPONSIBILITY

In our opinion, as the members of the Border Executive Board, this annual report fairly reflects the operations, progress, and organisational health and capability of the Border Executive Board.

Signed: 30 September 2021



Christine Stevenson

Chair
Comptroller of Customs

**Te Mana Ārai o Aotearoa
New Zealand Customs
Service**



Ray Smith

Director-General
**Manatū Ahu Matua
Ministry for Primary
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**Manatū Aorere
Ministry of Foreign
Affairs and Trade**



Dr Ashley Bloomfield

Director-General of Health

**Manatū Hauora
Ministry of Health**



Peter Mersi

Chief Executive

**Te Manatū Waka
Ministry of Transport**



BORDER EXECUTIVE BOARD

