

Mr Jason Li MP
Chair
Committee on the NSWICAC
Parliament House NSW

By Email: icaccommittee@parliament.nsw.gov.au

5 March 2025

Our Ref: A23/0029

Dear Mr Li,

**Response to Parliamentary Committee recommendations, from review of the
ICAC's 2021-2022 and 2022-2023 Annual Reports**

I refer to the Committee's Review of the 2021-2022 and 2022-2023 Annual reports of the ICAC and the Inspector of the ICAC, requesting our response in relation to two recommendations made.

The Commission's response to the recommendations is set out below.

Recommendation 1: That the ICAC expedite its work supporting people from culturally and linguistically diverse communities affected by the ICAC's investigations, and provide the Committee with an update, within six months, on any new measures that are planned or have been implemented.

Response:

In late 2023, the ICAC commenced its Community Awareness Project.

The project outputs include developing products to communicate key messages about corruption and the work of the Commission to people in culturally and linguistically diverse (CALD) communities who are vulnerable to corrupt actors.

It is anticipated that the implementation of the project will:

- 1) increase the awareness in CALD communities about corruption, its harms and the role of the ICAC
- 2) increase the confidence of vulnerable people in the CALD community to report corruption
- 3) facilitate greater access for people in CALD communities to the ICAC's resources and services
- 4) incorporate products and lessons learned into business-as-usual practices for the ICAC.

OFFICIAL: Sensitive - NSW Government

Rationale:

A number of ICAC investigations have involved foreign nationals, such as Operations Aero, Keppel, Dasha, Galley and Skyline. Those involved have been witnesses, victims, and persons of interest. Other investigations have involved persons of CALD communities in NSW acting corruptly with members of their own communities.

ICAC investigations and enquiries have also identified aspects of “affinity fraud”, which entails people from CALD communities being targeted by members of their own community.

Project activities to date

In August 2024, after preliminary research, the ICAC entered into a contract with the Ethnic Communities Council of NSW (“ECC”) to procure bi-lingual education services to determine the best way to communicate key messages about corruption, and the work of the ICAC, to people in CALD communities who may be vulnerable to corrupt actors.

The first part of the project entailed ECC bi-lingual educators conducting focus groups with members of six community languages: Korean, Cantonese, Mandarin, Tagalog, Arabic and Vietnamese. The questions were to ascertain participants’ understanding of what comprised corrupt conduct, what they knew about the ICAC, and whether they would feel comfortable reporting to the ICAC. The bi-lingual educators prepared summary reports in English which ICAC project officers have analysed to determine similarities and differences in responses.

All groups understood what corruption is and that it undermines the integrity of, and trust in, government and public institutions, and can result in inefficient, unfair and ineffective delivery of services.

However, while the groups shared a common understanding about what activities comprise corrupt conduct, participants had very limited knowledge about the ICAC, and how to report. In addition, several respondents from all groups said they would be reluctant to report corrupt conduct as they feared “retaliation” or “repercussions” although they would be more inclined to report if they could do so anonymously.

These issues will be addressed in the resources the ICAC is currently drafting based on the focus group reports. The resources will then be translated in the six community languages and piloted at workshops co-conducted by bi-lingual educators and ICAC project officers. The resources will then be refined, uploaded to the Commission’s website, and distributed and promoted via community events and ethnic media.

Witness Liaison Officer

In February 2023, the Inspector of the NSW Independent Commission Against Corruption issued *Special Report 2023/01: [Audit of the welfare of witnesses and other people involved in ICAC investigations](#)*. The report noted that the “*process of investigations is often long, emotionally demanding for those involved and can negatively impact the psychological wellbeing of a witness*”.

In response to the Inspector’s recommendations, the ICAC has employed a Witness Liaison Officer (WLO), whose role entails identifying and working with witnesses whose mental health

OFFICIAL: Sensitive - NSW Government

maybe adversely affected by the investigative process. This can include individuals from CALD communities.

In addition to employing the WLO, the following are now in place:

- The ICAC's Operations Manual sets out numerous procedures to identify and manage witness wellbeing risks.
- The ICAC's case management system incorporates workflows that facilitate the identification of at-risk witnesses. These workflows trigger reviews by the WLO and where necessary, referral to the ICAC's appointed provider of mental health care.
- Staff have completed face-to-face wellbeing training (targeted at interactions with witnesses) and an online refresher course is currently being developed.
- A WLO brochure is available in 15 languages on the ICAC's website.

Recommendation 2: That the ICAC expedite the development of its cybersecurity and artificial intelligence (AI) strategies, and provide the Committee with a further update on its cyber-readiness activities within six months.

Artificial Intelligence

The Commission is expediting the development of its AI journey through the following main areas:

- Formation of an internal AI Strategy Committee. This is in accordance with the Commission's 2022-2025 Strategic Plan, which includes the ambition to "be at the forefront of using best practice investigative techniques and digital technologies".
- A charter has been developed to ensure the Commission's use of AI technologies is consistent with the ICAC Act, lawful and ethical, aligned to risk management policy and delivered efficiently, within budget and in accordance with principles of good governance. Secondary, to this is to provide guidance on corruption risks posed by AI technology and the use of AI to prevent, detect or investigate corrupt conduct.
- Embarked on a joint project, with the University of Sydney, following obtaining Australian Research Council grant funding, to conduct a project titled, *AI and Anticorruption: Unearthing Systemic Corruption in the Public Sector*. The lead academic is Dr José-Miguel Bello y Villarino, from the University's law faculty. His previous research encompasses both anti-corruption and AI. Among other things, the project involves at least two ICAC staff undertaking Masters-level research projects into AI-related topics.
- AI Committee members are required to attend training for the initial roadmap and strategy planning support. These are being offered through ANU and TAFE NSW and are designed to raise the awareness on the issue of AI, improve the understanding the technological foundations of AI and its development lifecycle, understand AI's effect on people and apply appropriate principles and implement responsible AI governance and risk management
- Build capability and scalability in the redesign of the Commission's case management system, known as Project Nexus, to enable integration of AI products as they evolve over the short term.

Cybersecurity

At the December 2023 PJC meeting we were at the preliminary stages of our cybersecurity analysis. We now possess further detailed understanding of the associated risks and necessary controls to address them. This includes the establishment of a dedicated cyber security risk register providing a comprehensive overview of the identified risks. The controls currently implemented, and the subsequent action plans to address any gaps. More critically, we are in the process of procuring a Security Operations Centre (SOC) that will offer us substantial protection through continuous monitoring, detection, analysis and prevention of cyber threats. This initiative will enable us to dedicate more time to ensuring that our policies and procedures are robust also ensuring that the commission staff are appropriately trained in this area. The tenders for the SOC has recently closed and are currently being reviewed.

Additionally, we are planning to migrate our IT structure to the cloud and have commenced this project by seeking necessary funding from NSW Treasury in the current 2025-26 Budget process. This transition will facilitate additional cyber security enhancements including advance cloud-based firewalls.

A list of the steps taken in accordance with the NSW Cyber Security policy is listed in the Commission's 2023-24 annual report (page 41) that includes updating policies including incident management plans, conducting annual penetration testing, education of staff e.g. phishing tests, screen savers and other staff communications, incident management exercises and attestation against NSW Cyber Security controls and putting in place mechanisms to improve on levels where applicable.

Please let me know if you require any further information in relation to the above.

Yours sincerely,

A solid black rectangular box used to redact the signature of the Chief Commissioner.

The Hon John Hatzistergos AM
Chief Commissioner