



CONFERENCE 2017 – RISK AND THE COMMUNICATION OF RISK

DATE: Tuesday 7 November 2017

VENUE: Chateau on the Park, The Great Hall, 189 Deans Avenue, Riccarton, Christchurch

TIME: 9:00am to 4:35pm

Time	Item
9:00-9:15am (15 mins)	ARRIVAL TIME <i>Tea and Coffee will be provided</i>
9:15-9:30am (15 mins)	MIHI WHAKATAU and WAIATA
Item 1. 9:30-9:40am (10 mins)	WELCOME Conference Chair: Sanjai Raj, General Manager, Consumer Protection and Standards, Ministry of Business, Innovation and Employment (MBIE) and Chair of G-REG
Item 2. 9:40-10:00am (20 mins)	WARM UP – THE RISK FRAMEWORK Conference Facilitator: Ian Caplin, Principal Advisor, Inland Revenue (IR)
Item 3. Intro by Ian Caplin 10:00-10:05am (5 mins)	Sub Topic 1: RISK IDENTIFICATION Risk identification is the stage of identifying emerging risks to the achievement of regulatory objectives, such as a new chemical that poses a safety risk, a change in NZ's demography that may create new demands on our health system or business practices that create risks to our environment (e.g. intensive dairy). An agency's risk identification strategy is likely to include a process for identifying what should be on a 'watch list', and a process aimed at generating information to inform when a formal risk assessment should be undertaken such a monitoring overseas research or generating NZ research.
10:05-10:20am (15 mins)	Keynote Speaker: Nicole Rosie, Chief Executive, Worksafe New Zealand

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10:20-10:30am (10 mins)	Questions for Nicole Rosie
10:30-10:45am (15 mins)	MORNING TEA
<p data-bbox="196 786 354 846">Item 3. Continued</p> <p data-bbox="167 884 384 945">10:45-11:05am (20 mins)</p>	<p data-bbox="429 383 608 412">Presenters:</p> <p data-bbox="429 448 1469 575">Peter Merrigan, Senior Investigator Electronic Messaging Compliance Unit; and Toni Demetriou, Manager Electronic Messaging Compliance Unit Department of Internal Affairs (DIA)</p> <p data-bbox="429 611 1023 640">IDENTIFYING RISK IN SMS TEXT SPAM</p> <p data-bbox="429 642 1469 1350">SMS Text Spam complaints sent in by the public are received by the Electronic Messaging Compliance Unit at Internal Affairs through the 7726 short code service daily. It isn't necessarily the SMS spam messages that were identified as the 'risk' for the purposes of this case study ... it was the fact that the messages, deceptive and potentially harmful, were being propagated and distributed by short-code services to recipients in New Zealand. Short Codes are used for sending legitimate commercial electronic SMS messages within New Zealand and are closely controlled and monitored by Mobile Network Operators...or are they? Contractual relationships and business practices as well as robust relationships exist between Mobile Network Operators and international mobile messaging aggregators. Short codes are used with SMS technology by businesses to market directly to consumers where express consent exists and a relationship is formed. So what is happening and how is SMS spam traversing the networks through allocated short-codes and ... who isn't monitoring the relationships and the traffic across the networks? The case study unpicks the problem space carefully to understand how the SMS spam, originating from overseas, is creeping onto the networks in New Zealand and how Internal Affairs as the regulator has used this case study as an evidence base to engage with Mobile Network Operators and Aggregators in what is a highly complex and technology enabled problem space.</p>
11:05-11:25am (20 mins)	<p data-bbox="429 1388 592 1417">Presenter:</p> <p data-bbox="429 1453 1469 1514">Martin Rushton, Principal Advisor, Trading Standards, Ministry of Business, Innovation and Employment (MBIE)</p> <p data-bbox="429 1550 879 1579">CONSUMER PRODUCT SAFETY</p> <p data-bbox="429 1581 1469 2022">With regard to consumer product safety, the big challenges are around risk identification. Consumer product safety regulators around the world are being confronted rapidly changing technologies and materials that feature in consumer products. In the past many hazards that could feature and the risk they might pose were relatively easy to discern – sharp edges, entrapment hazards and small parts. The rate of change and innovation is accelerating and new chemicals, technologies and products hit the market with increasing regularity and they often prove difficult for regulators using their traditional 'toolkits' of powers and sanctions. The ability for consumers to purchase goods online from virtually any country in the world only compounds the problems. All of this is leading to the need for new ways of working and increasing inter agency and inter jurisdictional collaboration to quantify and address the risks. Martin's presentation will use some case studies to illustrate some of the issues and show some of</p>

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	the ways that product safety regulators are rising to the challenges.
11:25-11:35am (10 mins)	PANEL DISCUSSION – Peter Merrigan, Toni Demetriou and Martin Rushton
<p data-bbox="180 383 368 477">Item 4. Intro by Ian Caplin</p> <p data-bbox="169 544 379 607">11:35-11:40am (5 mins)</p>	<p data-bbox="432 383 922 412"><u>Sub Topic 2 : RISK ASSESSMENT</u></p> <p data-bbox="432 432 1469 622">Risk assessment in a regulatory context 'is the determination of quantitative or qualitative estimate of risk related to a well-defined situation and a recognised threat' and the cost of mitigating that risk having regard to multiple and sometimes competing policy objectives (e.g. safety and innovation). Where it applies, regulatory impact analysis picks up many of the elements of risk assessment in a regulatory context.</p>
11:40-12:00pm (20 mins)	<p data-bbox="432 674 587 703">Presenter:</p> <p data-bbox="432 734 1374 831">Greig Bateman, Manager Compliance Analysis; and Andrew Henderson, Senior Analyst, Compliance Analysis Team Department of Internal Affairs (DIA)</p> <p data-bbox="432 869 1066 898">RISK ASSESSING A BURGEONING SECTOR</p> <p data-bbox="432 902 1469 1189">Being risk based has been essential in regulating the 950 reporting entities that fall under Internal Affairs' supervision of the AML/CFT Act. Phase 2 reforms will see the number of reporting entities increase by approximately 6000 over the next 2 years. This presentation looks at how Internal Affairs has used a risk model to prioritise existing activity based on information from our partners, the sector and willingness to comply. We will also look at our new reporting entities (lawyers, accountants, real estate, New Zealand Racing Board and high value dealers) and our approach to assessing risk associated with their work.</p>
12:00-12:20pm (20 mins)	<p data-bbox="432 1223 587 1252">Presenter:</p> <p data-bbox="432 1283 1469 1350">Sam Leske, Director Intelligence, Planning and Coordination Services, Ministry for Primary Industries (MPI)</p> <p data-bbox="432 1386 826 1415">CARGO FOR BIOSECURITY</p> <p data-bbox="432 1420 1469 1805">The Joint Border Management System and related work is delivering the ability to risk assess large volumes of cargo entering the country. This assessment is carried out through using intelligence and high end data analytics to predict non-compliant behaviour. This information is then used to inform detailed rule sets than can be applied to import information which results in an initial risk assessment on cargo. This work is important as cargo volumes are increasing and the range of products are increasing through the development of e-commerce. The example that will be presented is about data analytics assisting risk assessment in the fresh produce and cut flowers cargo group and how this data can shape the ruleset development to ensure border resources are applied to the areas of highest risk to biosecurity.</p>
12:20-1:10pm (50 mins.)	LUNCH
Item 4. continued	<p data-bbox="432 1917 587 1946">Presenter:</p> <p data-bbox="432 1977 1469 2045">Nicole Botherway, Regulatory Manager, Farming and Maritime Services, Waikato Regional Council</p>

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<p>1:10-1:30pm (20 mins)</p>	<p>DAIRY FARMS</p> <ul style="list-style-type: none"> • How we identified which Dairy Farms out of 4600 in the Waikato region to visit on a risk based approach as we do not have the resources to visit them all every year like most councils. • What our 'Nigel' (Malcolm Sparrow) was able to do to focus our efforts. Mining our data to make smart decisions • How we increased our farm visits from the 400s per year to over 1100 per year with only 2 additional staff. (And NO Helicopters!)
<p>1:30-1:40pm (10 mins)</p>	<p>PANEL DISCUSSION – Greig Bateman, Same Leske and Nicole Botherway</p>
<p>Item 5. Intro by Ian Caplin</p> <p>1:40-1:45pm (5 mins)</p>	<p>Sub Topic 3 : RISK MANAGEMENT</p> <p>Risk management is the treatment of risk. The US EPA describes this as follows: 'Risk assessment provides information on potential health or ecological risks, and risk management is the action taken based on consideration of that and other information</p>
<p>1:45-2:05pm (20 mins)</p>	<p>Presenter:</p> <p>David Udy, Principal Group Manager Collections, Inland Revenue (IR)</p> <p>MANAGING COMPLIANCE THROUGH CHANGE</p> <p>We're making the tax system simpler, more open and certain for New Zealanders to pay their taxes and receive their entitlements. Our transformation will include the introduction of new systems, policy settings, a customer centric operating model and delivery structures, and the ongoing development of intelligence-led compliance risk management.</p> <p>Third tier managers across the enterprise have worked together over the last two years to develop strategic conversations about how to ensure all the elements of our compliance assurance portfolio are managed sustainably through change. Key lessons and insights from this complex undertaking will be the subject of Inland Revenue's presentation.</p>
<p>2:05-2:25pm (20 mins)</p>	<p>Presenters:</p> <p>Maarten Quivooy, General Manager Gambling Compliance, Department of Internal Affairs (DIA)</p> <p>DIA's DRIVE FOR REGULATORY STEWARDSHIP AND THE CHALLENGES OF REGULATORY STEWARDSHIP FROM A REGULATORS PERSPECTIVE</p> <p>A key challenge / risk for the regulator is how we can be better regulators as we move into a less than clear digital future.</p> <p>The key themes:</p> <ul style="list-style-type: none"> • our focus on being a responsive risk based regulator put us in the same space as many other regulators, in NZ and internationally • digital disruption is going to be a key issue for regulators to deal with • there are real opportunities in big data - but exploring these opportunities will require regulators to have stronger data gathering, analytical and policy capability

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	<ul style="list-style-type: none"> we should continue to explore options for innovation: behavioural insights (Nudge) and sandboxes (safe to fail) engagement and 'relational regulatory practice' will be foundational for regulators of the future.
2:25-2:45pm (20 mins)	<p>Presenter:</p> <p>Sharyn Forsyth, General Manager Maritime Standards, Maritime New Zealand (MNZ)</p> <p>REGION COLLABORATION TO MANAGE RISKS ASSOCIATED WITH INTERNATIONAL SHIPPING</p> <p>As an island nation NZ relies heavily on international shipping – close to 100% of NZ’s trade is dependent on ships. On the positive side of the ledger ships support economic activity through the movement of goods and people; on the negative side ships bring environmental and safety risks to our shores. Internationally the risks associated with shipping are well understood and there are mature (20+ years) data/information driven arrangements – referred to as ‘Port State Control’ in place to ‘control’ those risks.</p> <p>As an original signatory to the Asia Pacific region’s ‘Memorandum of Understanding on Port State Control’ NZ plays an important role in managing the risks of shipping to our own shores and across the Asia Pacific region.</p>
2:45-3:00pm (15 mins)	PANEL DISCUSSION – David Udy, Maarten Quivooy and Sharyn Forsyth
3:00pm-3:15pm (15 mins)	AFTERNOON TEA
<p>Item 6. Intro by Ian Caplin</p> <p>3:15-3:20pm (5 mins)</p>	<p>Sub Topic 4 : RISK COMMUNICATION</p> <p>US EPA describes risk communication as follows: ‘Risk communication is the process of informing people about potential hazards to their person, property, or community. Scholars define risk communication as a science-based approach for communicating effectively in situations of high stress, high concern or controversy’.</p>
3:20-3:40pm (20 mins)	<p>Presenters:</p> <p>Pania Shingleton, Education and Communications Manager; and Baz Kirk, National Advisor Industry Support Maritime New Zealand (MNZ)</p> <p>RECREATIONAL BOATING</p> <p>Safety risks related to recreational boating are well understood; the key treatments are well understood; considerable research has occurred in respect to the self-reported attitudes and behaviours of boaties in relation to the risks and the treatments, and this has recently been supplemented by research about observed actual behaviours. This presentation describes the approach that has been taken by Maritime NZ and its ‘safer boating’ partners to communicating with recreational boaties and how that is evolving in the quest to save lives.</p>
3:40-4:00pm (20 mins)	<p>Presenter:</p> <p>George Mason, General Manager, Employment Services, Ministry of Business, Innovation and Employment (MBIE)</p>

Time	Item
	<p align="center">COMMUNICATING RISK</p>
<p>4:00-4:20pm (20 mins)</p>	<p>Presenter:</p> <p><i>Darryl Lew, National Compliance Manager, Department of Conservation (DOC)</i></p> <p>COMMUNICATING CLE RISK – THE DEPARTMENT OF CONSERVATION EXPERIENCE</p> <p>The Department of Conservation (DOC) has been implementing its Compliance and Law Enforcement Transformation Project over the last 12 months, designed to strengthen DOCs compliance and law enforcement function. Critical to this project has been the communication of risk, including not only the risks associated with failure to strengthen the function but also with the efforts to strengthen the function.</p> <p>DOC is lead agency for wildlife and conservation crime in New Zealand and typically ranks within the top five government agencies in terms of the number of prosecutions before the courts. For many years DOC has undertaken compliance in respect of New Zealand’s whitebait and marine reserve laws. However, new trends are emerging including illegal timber theft from conservation land, illegal tourism operators accessing national parks, underreporting of authorised activity and international demand and resultant smuggling of New Zealand’s indigenous flora and fauna. As New Zealand moves from 3.5 million tourists today to over 5 million by 2022, these emerging trends are of concern and the critical driver to the Transformation Project.</p> <p>The paper will outline these risks and how they were mitigated but focus on how they were communicated internally, externally and to the government.</p>
<p>4:20-4:30pm (10 mins)</p>	<p>PANEL DISCUSSION – Pania Shingleton, Baz Kirk, George Mason and Darryl Lew</p>
<p>Item 7.</p> <p>4:30-4:35pm (5 mins)</p>	<p><u>CLOSING REMARKS</u></p> <p>Forum Chair: Sanjai Raj</p>