

30 July 2002

Mr Brenton Holmes  
Secretary  
Senate Select Committee on a  
Certain Maritime Incident  
Parliament House  
CANBERRA ACT 2600



Dear Mr Holmes

**Select Committee on a Certain Maritime Incident**

Following my appearance before the *Senate Select Committee on a Certain Maritime Incident*, I have prepared a statement of clarification to accompany the answers to the questions that I took on notice.

Please find attached:

- Statement of Clarification; and
- Answers to 7 Questions on Notice.

Please do not hesitate to contact me should the Committee require further clarification.

Yours sincerely

  
M J Keelty

cc: Senator the Hon Chris Ellison  
Minister for Justice and Customs  
Parliament House  
Canberra

## COMMISSIONER – AUSTRALIAN FEDERAL POLICE

### SENATE SELECT COMMITTEE ON A CERTAIN MARITIME INCIDENT

#### STATEMENT

Having read Hansard regarding my evidence before the Committee on 11 July 2002, I believe it is necessary to add detail to and clarify some of my evidence relating to payments to Indonesian National Police (INP). In particular this will address the question that I took on notice to answer from Senator Faulkner, at page 1800 of the Hansard. These extra details go further than my answer to the various questions on notice regarding Law Enforcement Cooperation Program (LECP) funding for training of INP officers.

The line of questioning from Senators on Australian Federal Police (AFP) funding of the INP related to their disruption activities against people smugglers and their networks. At the time I said that the AFP did not engage in a "fee for service" arrangement with the INP and that AFP-INP interactions were regulated, transparent and above all else, legal.

To the best of my knowledge the veracity of those statements remains unchanged. However, further information and clarification relating to methods of payments to the INP and the scope of that funding is required.

While the AFP is unable to provide the Committee with a copy of the Protocol between itself and the INP, because we are only one of the owners of that document, I can state that the payments to the INP and the activities of units in receipt of funds were regulated by the terms of the Protocol and checked by the AFP.

Under the provisions of the Protocol, the AFP did fund INP units to take part in anti-people smuggling operations. The funds provided to the INP were sourced from the AFP's LECP. The Protocol laid out the level of accountability that would have to be met by the various INP units to continue to receive those funds.

The Protocol allowed for the AFP and INP to provide advice regarding target selection, technical and management support of operations, informant management, information facilitation and assistance in financial reporting.

\$99,800.00 was spent through application of the protocol.

Under the auspices of the Protocol, five INP units of four officers each received funds from the AFP. Those units were:

- POLDA Bali;
- POLDA NTT;
- POLDA NTB;
- POLDA Metro Jaya; and
- POLDA Jawa Barat.

As I stated above, under the Protocol those teams were involved in the ongoing gathering of information, arrests and prosecutions of Indonesian-based people smugglers and their networks.

The funds were allocated against the following categories:

- Coordination of Operations ~ including the INP Interpol office;
- Meals, local transport and incidental allowances for personnel;
- INP informant network;
- Travel and travel allowances;
- Miscellaneous costs (car hire, petrol, parking); and
- Operational reserve funds for five POLDAs.

The Protocol allowed for the annual budget to be credited three months in advance to the various POLDAs, except for funding relating to informant and travel. Funding for informant costs were to be advanced in three payments depending upon records regarding the payment of monies to informants and the recording of information reports. Travel costs were to be advanced in three payments and were acquitted on records identifying travel costs such as flight, train and hotel receipts.

Provisions were made for monthly budget reporting by the INP units and the AFP maintained an appropriate level of financial accountability in its expenditure in relation to the funding. For example, payments to the POLDAs were made by cheque or bank transfers from the Australian Embassy in Jakarta. In addition, financial expenditure was controlled through regular acquittal processes. Occasionally, AFP officers provided some cash to members of the POLDAs. The cash amounts were generally very small, usually around A\$100 and receipts were obtained by AFP personnel for those monies. In these instances, the monies paid to individual officers were for travel and out of pocket expenses when undertaking joint operations.

Finally, during my evidence, as recorded at page 1791 of Hansard, I referred to Federal Agent Kylie Pratt. Ms Pratt is in fact not a sworn member of the AFP and is a Staff Member of the organisation.

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**QUESTION ON NOTICE**

**Senator Faulkner asked the following question in the inquiry:**

To what extent do you know if there was any Ministerial knowledge of the nature of the disruption activities that took place at the time of the protocol being set aside?

**The answer to the Senator's question is as follows:**

The AFP regularly advises government that its aim is to identify, disrupt and dismantle the organised elements of people smuggling to Australia. As outlined in the *Brief for the Incoming Government November 2001* at 5.3 "AFP/DIMIA People Smuggling Strike Team (PST)", cooperation between the AFP and Indonesian National Police (INP) has been instrumental in disrupting the flow of illegal immigrants to Australia. This relationship is also referred to in the *AFP Annual Report 2000-2001*.

The AFP appropriately briefs government on initiatives in place to combat organised people smuggling and these included the establishment of five Special Intelligence Units within the INP dedicated to people smuggling operations. These were funded under the Law Enforcement Cooperation Program. The results of that initiative were reported to government, in that approximately 4,000 potential unauthorised arrivals were intercepted in Indonesia and prevented from departing for Australia.

The briefings to government did not, at any time, go to operational detail. Reference has only been made to cooperation between the AFP and the INP and the positive results of that relationship.

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**QUESTION ON NOTICE**

**Senator Collins asked the following question in the inquiry:**

**What were the funding arrangements for training of Indonesian National Police in October 2000?**

**The answer to the Senator's question is as follows:**

As stated during my response to questions from Senator Faulkner (at page 1799 of Hansard) in October 2000, one month after the commencement of the protocol, the AFP provided five days of investigation training to the Indonesian National Police Special Intelligence Units (INP SIU).

A submission to the Law Enforcement Cooperation Program (LECP) was made by the Senior AFP Liaison Officer in Jakarta in September 2000. This submission proposed an intensive training program for 20 INP SIU officers between 9 and 13 October 2000 inclusive, to be delivered at INP Headquarters, Denpasar, by appropriately qualified AFP instructors. The training was to include investigation techniques, surveillance, information management and financial acquittal procedures.

Expected outcomes of the training were part of the submission and included:

- increased AFP and INP cooperation;
- improved relationships between the AFP and the INP;
- increased effectiveness of the SIU teams;
- improved assessment processes as to the extent of the people smuggling problem; and
- the identification, apprehension and possible prosecution of organised people smugglers.

The purchase of some equipment was initially also proposed; however, this component was not proceeded with at the time of the delivery of the training. That equipment was to be five basic surveillance kits with such items as cameras, binoculars and tape recorders. These capital items were supplied at a later date.

The table on the following page breaks down the costs to conduct this one-week training program:

Costs associated with INP Special Intelligence Unit one-week training course.

<b>Item</b>	<b>Cost</b>
AFP Delivery Team costs	\$9 200
Local INP airfares	\$5 905
Accommodation	\$7 255
Per diems (meals and allowances)	\$3 000
Incidental costs	\$2 140
<i>Total</i>	<i>\$27 500</i>

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**QUESTION ON NOTICE**

**Senator Faulkner asked the following question in the inquiry:**

Will you provide us with a complete breakdown of AFP expenditure in relation to the disruption program?

**The answer to the Senator's question is as follows:**

\$99,800.00 was spent through application of the protocol as explained in my statement of clarification.

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**QUESTION ON NOTICE**

**The Chair, Senator Cook, asked the following question in the inquiry:**

Did any disruption activities occur during this time (period that the protocol has been set aside)?

**The answer to the Senator's question is as follows:**

As stated in my evidence at pages 1785, 1805 and 1806 of Hansard, in response to the Chair's questions, requests to the INP continued after the protocol had been set-aside on a case-by-case basis. Information gathering, analysis and dissemination continued and whilst both parties were sensitive to the setting aside of the agreement, still a spirit of cooperation continued. In particular, as referred to in my evidence at page 1774 of Hansard, in response to a question from Senator Faulkner, whilst we may have been less able to gather the support of the INP with regard to people smuggling matters, the five Indonesian National Police Special Intelligence Units (INP SIU) teams continued and focused on broader transnational crime issues.

Notably, on 5 October 2001, an allegedly significant people smuggler was arrested by the AFP, upon their arrival in Australia from Indonesia. This person is in custody and is now before the court in Perth.

In Federal Agent McDevitt's evidence given as recorded on page 1780 of Hansard, in response to the Chair's question, the focus of our activities is on disrupting the key facilitators of people smuggling rings and the AFP has had a number of successes arising from targeting the key players who are responsible for large scale people smuggling activities.



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**QUESTION ON NOTICE**

**Senator Faulkner asked the following question in the inquiry:**

What was the date of Enniss terminating any formal arrangement with the AFP?

**The answer to the Senator's question is as follows:**

This answer was previously given in response to Question on Notice 56 made by Senator Ludwig in the Senate Estimates Committee hearings on 18/19 February 2002.

- The AFP ceased its relationship with Mr Enniss on 21 September 2001.

In clarification to my answer I would also like to add that it was the AFP, not Mr Enniss, who terminated the formal arrangements.

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**QUESTION ON NOTICE**

**Senator Collins asked the following question in the inquiry:**

1. Does the AFP have ex post facto knowledge from talking to survivors?
2. Are there survivor reports that there was communication between SIEV X and the mainland?

**The answer to the Senator's question is as follows:**

The AFP has interviewed five survivors from SIEV X and of those, four statements have been taken. These are out of a possible approximate 45 survivors, who have since been relocated to various countries since the sinking in 2001. Efforts are, however, continuing to obtain statements from as many survivors as possible. In addition, the AFP is in receipt of hearsay accounts of information.

In those accounts there have been no specific references to radio distress calls. One statement has referred to the presence of a radio being on board the ship.

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**QUESTION ON NOTICE**

**Senator Faulkner asked the following question in the inquiry:**

Have reports been drawn to the AFP's attention regarding people being forced onto this vessel at gunpoint by Indonesian security forces?

**The answer to the Senator's question is as follows:**

The AFP is aware of the accounts referred to by the Senator, which have appeared in the media.

The AFP has interviewed five survivors from SIEV X and of those, four statements have been taken. These are out of a possible approximate 45 survivors, who have since been relocated to various countries since the sinking in 2001. Efforts are however, continuing to obtain statements from as many survivors as possible. In addition, the AFP is in receipt of hearsay accounts of information.

Those accounts have included descriptions of uniformed persons, weapons and threats having been made between certain parties. We are still gathering evidence about the veracity of these claims.