

Australian Government

Department of Foreign Affairs and Trade

Deputy Secretary

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15 July 2004

Mr Brenton Holmes Committee Secretary Senate Foreign Affairs, Defence and Trade Committee Parliament House CANBERRA



Dear Mr Holmes

I understand that in discussion with the Consular Branch of this department you indicated that Committee members are interested in any further evidence DFAT has in relation to the recollection of ONA officials that they met with DFAT officials two to three weeks after the meeting involving Mr Downer on 18-19 June 2002.

We have set out in the attached documentation the evidence supporting previous testimony on this issue by Mr Kemish and Mr Paterson. These records indicate that the subsequent meeting as recalled by ONA officials did not take place, and that the confusion is likely with a meeting on 7 June 2002 involving precisely the DFAT officers identified by ONA.

Importantly, the documentation emphasizes that ONA and DFAT do not dispute the fundamentals: as Mr Varghese has noted in testimony to the Committee, no actionable information was made available to the Government warning that Bali was a target.

Yours sincerely

(Doug Chester)

cc. Mr Peter Varghese, Director-General, ONA

ALLEGED MEETING BETWEEN ONA AND DFAT OFFICIALS

We have researched carefully the recollection of ONA officials that:

- they met with DFAT officials two to three weeks after the meeting between Mr Downer and ONA officials on 18-19 June 2002, and
- this meeting was ONA's response to a DFAT email on 28 June inquiring, inter alia, about evidence to support the idea that Bali might be targeted. We set out below the evidence we have assembled on this issue.
- 2. It is important to note that the two agencies do not dispute the fundamentals. As current ONA Director-General Peter Varghese said to the Committee on 23 June,

clearly no one, not DFAT, not ONA, not anybody else is suggesting that there was at any time, in any discussion, either with the Minister or with DFAT, any suggestion that there was any information, any specific information, any actionable information that related to the possibility of a bomb in Bali.

Consistent with this position, ONA did not include such claims in any of its formal written assessments produced between the briefing provided to Mr Downer on 18-19 June and the Bali attacks.

3. DFAT first became aware of ONA's assertion about a subsequent meeting as agencies were in the process of preparing submissions for the Bali Inquiry. Since that time we have sought to clarify the issue, including in dialogue with ONA. This discussion has largely been between DFAT Deputy Secretary Doug Chester and the then Director-General of ONA (Kim Jones). We have also discussed the issue briefly with current Director-General Peter Varghese.

ONA'S RECOLLECTIONS

4. ONA officials Dick Gordon and David Farmer contend that the alleged follow-up meeting was with four DFAT staff members – David Nethery, David Engel, Jane Millington and Bill Paterson. In response to our suggestion that they are confused in their recollection with a meeting on 7 June, prior to the discussion with Mr Downer, ONA has said that the 7 June meeting was with a different set of officers, from DFAT's International Security Division.

DFAT'S RECORDS

5. Our research of DFAT contemporaneous records from June 2002 provides conclusive evidence that ONA officials are wrong in their recollection of the sequence of events.

- 6. In fact the four DFAT officers named by ONA as being present at the alleged post-Downer meeting were, contrary to the ONA officials' recollection, precisely the officers present for the meeting on 7 June. The meeting date and time was recorded in Bill Paterson's electronic diary at 3 pm on that day ("Dick Gordon ONA @ SED": see copy attached) and in David Engel's palm pilot. Bill Paterson, Jane Millington and David Nethery each kept written notes of this 7 June meeting with Dick Gordon and David Farmer. DFAT's records indicate that no other DFAT official attended this meeting.
- 7. Moreover, Jane Millington sent an email to Dick Gordon the following Tuesday (11 June), referring back to the meeting they had had the previous Friday 7 June. A copy of this email is also attached.
- 8. The record does not support the assertion that a second meeting took place, and none of the four named DFAT officials have any recollection of it.
- 9. Our research establishes that there was only one brief period in the three weeks after the meeting with Mr Downer when all four named DFAT officials were in Canberra. This was the afternoon of 28 June.
- 10. Mr Paterson flew into Canberra on the morning of 28 June following a short term mission to Bangkok with the Secretary of DFAT, Dr Calvert. He had been either on leave or overseas since 21 June, and Mr Engel had been overseas on 19-20 June, so it is not possible that there was a meeting between 19 and 28 June involving these officials.
- 11. As for 28 June, Mr Paterson's electronic diary shows that he had performance management training from 2pm that afternoon, and attended farewell dinks for a colleague at 4.30 pm. There is certainly no space in his diary for a meeting of about two hours, as suggested by Mr Farmer in testimony to the Committee on 23 June. Mr Engel's palm pilot indicates that he did not have a meeting with ONA officials on 28 June. Neither Ms Millington nor Mr Nethery, both of whom took notes of the 7 June meeting, have any record of a subsequent meeting, including on 28 June.
- 12. Nor is it possible that the meeting took place in the week following Friday 28 June. Jane Millington was in Indonesia that week (1-5 July) on official duty.
- 13. The records taken by other DFAT officers support Mr Paterson's best recollection that he debriefed to DFAT officers very soon after ONA's meeting with the Minister rather than suggesting a follow up

meeting with ONA. Mr Nethery kept a record of Mr Paterson's debriefing, which took place on 19 June.

- 14. We have examined carefully all entry and exit records both the electronic and written register and can find no record of ONA officers entering or leaving the DFAT building on 28 June, including through the use of ONA courier passes.
- 15. Finally, we note that ONA has told us in the past that they recalled clearly that the alleged later meeting was in Bill Paterson's office. Mr Farmer has also said, in testimony to the Committee, that there was a view of Parliament House from the office window. In the interests of completeness we have checked the offices where the alleged meeting might have taken place:
 - The office occupied at the time by Bill Paterson as FAS, International Security Division room S4702. The view from this office is to the east, in the opposite direction from Parliament House. There is no view of Parliament.
 - The then office of the FAS, South and South-east Asia Division. This is where the 7 June meeting took place according to Mr Paterson's records and the recollection of all DFAT officers, and a narrow glimpse of Parliament House is possible from this office. Again, this seems to support the explanation that Mr Farmer is recalling the 7 June meeting.

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To: David Engel/People/DFATHIGHTED CO.:

Subject: SEORET: Indonesia: Revised standard para on terrorism attached ()

To store

---- Forwarded by Jane Millington/People/DFATHIGH on 09/07/2003 02:46 PM -----

Jane Millington

To: rgord@ona1.dfat.gov.au

11/06/2002 01:41 PM

cc: Paul Grigson/People/DFATHIGH@DFATHIGH, David Nethery/People/DFATHIGH@DFATHIGH, Justin L

Lee/People/DFATHIGH@DFATHIGH

Subject: SECRET: Indonesia: Revised standard para on terrorism

Dear Dick

Following our meeting on Friday afternoon we have revised our standard paragraph on terrorism in Indonesia. Paul Grigson asked me to e-mail it to you.

Regards

Jane (x1107).

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