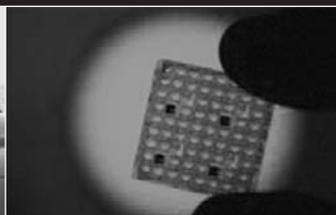


ANNUAL REPORT

2003–2004

PART 1AB
CRIMES ACT 1914

CONTROLLED OPERATIONS



' Commonwealth of Australia 2004

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Contact officers

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The AFP can be contacted by the hearing impaired via a telephone typewriter facility on (02) 6256 7700.

Minister's introduction

The *Annual Report on Controlled Operations* under section 15T of the *Crimes Act 1914* represents the Australian Government's ongoing commitment to the responsible use of police powers and resources in combating serious and organised crime. This report is an important contribution to the public accountability requirements of Part 1AB of the *Crimes Act*. Controlled operations are carried out within a legal framework that balances the need for operational confidentiality with the need to ensure that the power to conduct such operations is subject to appropriate public accountability.

Changes to extend the scope of controlled operations provisions, as part of the *Measures to Combat Serious and Organised Crime Act 2001*, provided greater opportunities not only to disrupt the activities of organised crime syndicates, but also to successfully prosecute a greater range of serious transnational criminal offences.

The eighth annual report on controlled operations highlights this by reporting on successful operations which resulted in significant seizures and prosecutions for the importation of drugs and other illicit goods such as child pornography. The same legislative changes helped law enforcement successfully seize the proceeds of these serious crimes. As a result, controlled operations are now being undertaken to circumvent methods used to launder these proceeds and prosecute the offenders.

This year has seen continued success with the seizure of significant quantities of heroin, 3,4-methylenedioxyamphetamine (MDMA), cocaine and other drugs. Operations of note included seizing 106 kg of MDMA by the Australian Federal Police resulting in the arrest of two people, and the seizure of 750 kg of pseudoephedrine by the Australian Crime Commission, resulting in the arrest of four people. Successful operations like these have occurred Australia-wide and represent a significant disruption to the activities of organised crime syndicates, demonstrating that the country is not an easy target for the importation of illicit goods.

Such successes indicate the commitment of law enforcement agencies such as the AFP and the ACC to disrupt and prevent these crimes.



SENATOR THE HON CHRIS ELLISON

Senator for Western Australia
Minister for Justice and Customs

29 September 2004

Guide to this report

The Australian Crime Commission

The Australian Crime Commission (ACC) commenced on 1 January 2003. It combined the former National Crime Authority, Australian Bureau of Criminal Intelligence and Office of Strategic Crime Assessments, all of which played an important role in addressing the Australian criminal environment. Merging them integrated their strengths in strategic intelligence, operational intelligence and investigative capability.

The ACC's strategic direction is provided by the ACC Board, chaired by the Commissioner of the Australian Federal Police (AFP). Other Board members include the heads of major Australian Government departments and the Commissioners of the State and Territory Police Services.

The ACC:

- ¥ provides national criminal intelligence collection and analysis;
- ¥ sets clear national criminal intelligence priorities; and
- ¥ conducts intelligence operations and investigations of criminal activity of national significance including the conduct and/or coordination of investigative and intelligence taskforces as approved by the Board.

The *Australian Crime Commission Establishment Act 2002* amended Part 1AB of the Crimes Act to enable the ACC to undertake controlled operations.

The legislation

In September 2001 Parliament passed legislation to extend the scope of controlled operations to include a broader range of criminal activity, subject to appropriate limitations, review and accountability measures. The legislation was passed as part of the *Measures to Combat Serious and Organised Crime Act 2001* and is enacted through the Crimes Act.

Controlled operations can be undertaken with any serious Commonwealth offence.

A controlled operation is defined as one that:

- (a) involves the participation of law enforcement officers; and

- (b) is carried out for the purpose of obtaining evidence that may lead to the prosecution of a person for a serious Commonwealth offence; and
- (c) may involve a law enforcement officer or other person in acts, or omissions to act, that would, apart from subsection 15(1) or (3), constitute a Commonwealth offence or an offence against a law of a State or Territory.

A serious Commonwealth offence means an offence against a law of the Commonwealth:

- (a) that involves theft, fraud, tax evasion, currency violations, illegal drug dealings, illegal gambling, obtaining financial benefit by vice engaged in by others, extortion, money laundering, perverting the course of justice, bribery or corruption of, or by, an officer of the Commonwealth, an officer of a State or an officer of a Territory, bankruptcy and company violations, harboring of criminals, forgery including forging of passports, armament dealings, illegal importation or exportation of fauna into or out of Australia, espionage, sabotage or threats to national security, misuse of a computer or electronic communications, people smuggling, slavery, piracy, the organisation, financing or perpetration of sexual servitude or child sex tourism, dealings in child pornography or material depicting child abuse, importation of prohibited imports or exportation of prohibited exports, or that involves matters of the same general nature as one or more of the foregoing or that is of any other prescribed kind; and
- (b) that is punishable on conviction by imprisonment for a period of three years or more.

Immunity from criminal liability

The Act provides immunity from criminal liability and indemnity from civil liability for law enforcement officers and certain other persons who take an active part in, or are otherwise involved in, the commission of a Commonwealth, State or Territory offence during the course of an authorised operation, so long as the conduct does not involve the commission of a sexual assault against a person or an offence involving the death of, or serious injury to, a person.

If a controlled operation certificate is in force, a law enforcement officer who engages in conduct that would otherwise constitute a Commonwealth offence or an offence against a law of a State or Territory, in the course of duty for the purposes of the controlled operation, is not criminally responsible for that offence. This is provided where the conduct of the officer does not involve intentionally inducing a person to commit a Commonwealth offence or an offence against a law of the State or Territory, which that person would not otherwise have intended to commit. In circumstances similar to these, immunity from criminal liability is also provided for a person other than a law enforcement officer.

A law enforcement officer means any of the following:

- (a) the Commissioner of the AFP, a Deputy Commissioner of the AFP, an AFP employee or a special member of the AFP (all within the meaning of the *Australian Federal Police Act 1979*);
- (b) a member of the police force of a State or Territory;
- (c) a member of the staff of the National Crime Authority now known as the Australian Crime Commission (ACC);
- (d) an officer of the Australian Customs Service (Customs); or
- (e) a member of a police force, or other law enforcement agency, of a foreign country.

Situations giving rise to the issue of controlled operation certificates

Certificates authorising controlled operations were issued for the purpose of obtaining evidence that may lead to the prosecution of a person subject to the requirements of Part 1AB section 15M that:

- (a) it is likely that a serious Commonwealth offence has been, is being or will be committed; and
- (b) the nature and extent of the offence, and any suspected criminal activity that is related to it, justifies a controlled operation; and
- (c) conducting the operation would not involve intentionally inducing a person to commit a Commonwealth offence, or an offence against a law of a State or Territory, if that person would not otherwise have intended to commit:

- (i) that offence; or
 - (ii) an offence of that kind; and
- (d) any unlawful activity involved in conducting the operation will be limited to the maximum extent consistent with conducting an effective controlled operation; and
 - (e) the operation will be conducted in a way that ensures that, to the maximum extent possible, any illicit goods involved in the operation will be under the control of an Australian law enforcement officer at the end of the operation; and
 - (f) any unlawful activity involved in conducting the operation will not:
 - (i) seriously endanger the health or safety of any person; or
 - (ii) cause the death of, or serious injury to, any person; or
 - (iii) involve the commission of a sexual offence against any person; or
 - (iv) result in loss of, or serious damage to, property (other than illicit goods); and
 - (g) the operation will be conducted in a way that is consistent with the reporting and accountability requirements of this Part; and
 - (h) if a person who is not a law enforcement officer is to be involved in the operation the role to be assigned to the person could not adequately be performed by a law enforcement officer.

Authorisation of controlled operations

If the operation relates to investigating a serious Commonwealth offence, the investigation of which is within the ACC functions, a controlled operation can be authorised by any ACC authorising officer.

For the AFP there are two categories:

- ➊ a controlled operation and
- ➋ a major controlled operation.

AFP controlled operations can be authorised by senior executive officers, who are members of the AFP and are authorised in writing by the Commissioner. Major controlled operations can only be authorised by the Commissioner or the Deputy Commissioner.

A major controlled operation is defined at section 15J (2A) as a controlled operation that is likely to:

- (a) involve the infiltration of an organised criminal group by one or more undercover law enforcement officers for a period of more than seven days; or
- (b) continue for more than three months; or
- (c) be directed against suspected criminal activity that includes a threat to human life.

Under section 15L, urgent applications for a controlled operation certificate may be made if the applicant has reason to believe the delay caused by making an application that complies with section 15K may affect the success of the operation.

Controlled operations certificates

The form and content of a controlled operation certificate is stipulated at section 15N of the Act. Requirements include such matters as the name of the applicant, information relevant to the illicit goods, the nature of the activities covered, the identification of any non-law enforcement officers involved, and conditions to which an operation is subject.

Period of the certificate

A controlled operation certificate may remain in force for six months from the day on which it was issued. A certificate for longer than three months is deemed to have expired at the end of three months from the date it was given, unless, within the last two weeks of the three months, a nominated member of the Administrative Appeals Tribunal reviews the certificate and decides it should remain in force for the specified period.

Variations to the certificate

An Australian law enforcement officer may apply to an appropriate authorising officer to vary a controlled operation certificate.

The authorising officer may vary the certificate if reasonably satisfied that the variation is necessary for:

- (i) the success of the controlled operation; or
- (ii) the protection of the health or safety of any person; or

(iii) the protection of property from loss or damage; or

(iv) ensuring that all involved in the operation are appropriately exempt from criminal liability or indemnified from civil liability.

Termination of a certificate

An authorising officer may terminate a controlled operations certificate by providing written notification to the officer in charge, specifying the time when notification takes effect.

Reporting requirements

The Commissioner of the AFP and the Chief Executive Officer of the ACC must, within two weeks after the end of each quarter, provide the Minister with a report informing the Minister of certain occurrences during that quarter.

The report must inform the Minister of details on each decision to grant or refuse an application for a controlled operation, each variation, review, surrender or termination of a certificate and any certificate still in force at the end of the quarter.

The requirements for Ministerial reporting to Parliament have also been amended. Under revised section 15T, the Minister must lay before each House of the Parliament, not later than the first sitting day of that House after 1 October each year, a report on controlled operations. The report must include: the date on which the application was made, the decision taken about the application, the reasons for that decision and the information in reports given to the Minister under section 15R during that financial year. The report should not include information about any person (including the person's name) that has not already been published about that person.

One of the controlled operation certificates referred to in this report was approved prior to 12 October 2001 when more detailed reporting requirements, outlined above, came into force.

Monitoring by the Ombudsman

Within two weeks after the end of each quarter, the Commissioner of the AFP and the Chief Executive Officer of the ACC must provide the Ombudsman with a copy of the report given to the Minister under section 15R for that quarter.

The Ombudsman may require the Commissioner or the Chief Executive Officer of the ACC to furnish additional information about the decisions concerning controlled operations.

The Ombudsman is also required to inspect the records of the AFP and the ACC in relation to controlled operations at least once every 12 months and may inspect these records at any time to ascertain whether the requirements of the Act are being complied with.

The Ombudsman must also prepare a report of his or her work and activities in relation to controlled operations during the preceding 12 months. This report is to be given to the President of the Senate and the Speaker of the House of Representatives for presentation to the Senate and the House of Representatives, respectively. It must include, for the AFP and the ACC, comments on the comprehensiveness and adequacy of the reports provided to Parliament by the AFP and ACC.

Material exempted from reporting

Subsection 15T(3) prohibits the inclusion in the annual report of any information about a person (including the person's name) that has not already been published about the person.

If, on information given by the Commissioner of the AFP or the Chief Executive Officer of the ACC, the Minister is of the view that it is likely that the inclusion of any information in the report may endanger the safety of a person or prejudice an investigation or prosecution, the Minister must exclude the information from the report.

The Minister must then include that information in the first report laid before the Houses of Parliament after the Minister considers that the information will no longer prejudice the investigation or prosecution.

Based on information received from the Commissioner of the AFP, the Minister formed the view that the inclusion of certain information in relation to AFP operations would prejudice investigations or prosecutions. Accordingly, all information in relation to each of these matters: AFP 2003—04/09; 2003—04/17; 2003—04/18; 2003—04/20; 2003—04/22; 2003—04/25; 2003—04/28; 2003—04/29; 2003—04/31; 2003—04/32; 2003—04/33; 2003—04/35; 2003—04/36; 2003—04/37; 2003—04/39; 2003—04/41 and all information in relation to previous matters: AFP 2001—02/19; 2001—02/38; 2002—03/01; 2002—03/02; 2002—03/37; 2002—03/43; 2002—03/48; 2002—03/49; 2002—03/53; 2002—03/54 and 2002—03/59 was excluded from this report. Other information not previously published was also excluded.

Material previously exempt from reporting now reporting in full

The following matters: AFP 2001—02/46; 2002—03/14; 2002—03/15; 2002—03/34; 2002—03/36; 2002—03/58 were exempted from the 2001—02 and 2002—03 annual reports. These matters are now published in Schedule 3 of this report.

Material previously exempt from reporting now reporting in part

The following matters: AFP 2002—03/11; 2002—03/13; 2002—03/16; 2002—03/18; 2002—03/31; 2002—03/33; 2002—03/35; 2002—03/38; 2002—03/39; 2002—03/41; 2002—03/42; 2002—03/47; 2002—03/50; 2002—03/51; 2002—03/52; 2002—03/55; 2002—03/56; 2002—03/57; 2002—03/61 that had material exempted from the 2002-03 annual report, are now reported in part in Schedule 3 as investigations are ongoing.

Material previously excluded in part from reporting now reporting in full

The following matters: AFP 2001—02/02; 2001—02/09; 2001—02/18; 2001—02/21; 2001—02/33; 2001—02/42; 2001—02/47; 2002—03/06; 2002—03/40; 2002—03/46; 2002—03/60 that had material excluded in part from the 2001—02 and 2002—03 annual reports are now fully reported in Schedule 3 of this report.

Material previously excluded in part from reporting still excluded in part

The following matters: AFP 2001—02/37; 2002—03/04; 2002—03/05; 2002—03/10; 2002—03/45 that had material excluded in part from the 2001—02 and 2002—03 annual reports now have further material released, but are still excluded in part as these investigations are ongoing or the material had not previously been published.

Material previously reported in part unchanged from past reporting

The following matters: AFP 2001—02/03; 2001—02/22; 2001—02/28; 2001—02/29; 2001—02/31; 2001—02/32; 2001—02/34; 2001—02/35; 2001—02/36; 2001—02/40; 2001—02/43; 2001—02/44; 2001—02/45; 2002—03/07; 2002—03/08; 2002—03/09; 2002—03/17; 2002—03/21; 2002—03/23; 2002—03/24; 2002—03/25; 2002—03/28; 2002—03/29; 2002—03/32; were excluded in part from the 2001—02 and 2002—03 annual reports. These matters remain unchanged and are therefore not printed in the 2003—04 annual report.

ACCSOC002 was excluded in part from the 2002—03 annual report. This matter remained unchanged and is therefore not printed in the report.

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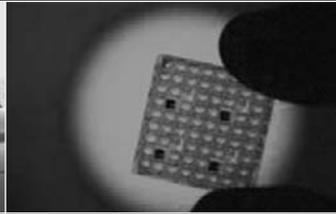
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Glossary

AAT	Administrative Appeals Tribunal
ACC	Australian Crime Commission
ACS	Australian Customs Service
AFP	Australian Federal Police
AGAL	Australian Government Analytical Laboratories
APS	Australian Protective Service
CDPP	Commonwealth Director of Public Prosecutions
CS	Confidential Source
DFAT	Department of Foreign Affairs and Trade
FBI	Federal Bureau of Investigations
GBL	Gamma-butyrolactone
GHB	Gamma-hydroxybutyrate
MDMA	3,4-methylenedioxymethamphetamine
NCA	National Crime Authority (now ACC)
NSW	New South Wales, Australia
QLD	Queensland, Australia
SKSA	Sydney Kingsford Smith Airport
UCO	Undercover Operative
US	United States of America
USCS	United States Customs Service
USDEA	United States Drug Enforcement Agency
USPIS	United States Postal Inspection Service

SCHEDULE 1



CERTIFICATES AUTHORISING A CONTROLLED OPERATION

Australian Federal Police

Forty-one reference numbers were issued, with 41 applications for certificates authorising controlled operations being made. Forty applications were approved.

A geographical breakdown of the applications is:

Sydney Office	15
Melbourne Office	8
Brisbane Office	9
Cairns Office	2
Perth Office	4
National Office	3

Certificates issued by authorising officers of the AFP

1 July 2003 to 30 June 2004

Controlled operation number

2003—04/01

Previous applications

Nil

Date of application

1 July 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 10.10am on 1 July 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 27 September 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that persons targeted by the controlled operation had committed, or was likely to commit, an offence of:

- (i) import prohibited imports, being narcotic goods not less than the commercial quantity applicable to heroin, contrary to section 233B(1)(b) *Customs Act 1901*, punishable by a maximum penalty of life imprisonment;
- (ii) attempt to possess prohibited imports, being narcotic goods not less than the commercial quantity applicable to heroin, having been

imported into Australia in contravention of the Customs Act, contrary to subsection 11.1(1) of the *Criminal Code 1995*, and paragraph 233B(1)(c) of the Customs Act, punishable by a maximum penalty of life imprisonment; and

- (iii) aid, abet, counsel, or procure the importation of prohibited imports, being narcotic goods not less than the commercial quantity applicable to heroin, contrary to subsection 11.2(1) of the Criminal Code, and paragraph 233B(1)(b) of the Customs Act, punishable by a maximum penalty of life imprisonment, whether or not the controlled operation took place.
- These offences against section 233B of the Customs Act are serious Commonwealth offences and attract a maximum penalty of life imprisonment.
- The offence/s that is the subject of the controlled operation involved the importation and attempted possession of a commercial quantity of heroin in excess of 100 kg.
- Conducting a controlled operation would provide police with an opportunity to identify persons in Australia and overseas involved in the commission of the offences subject of the controlled operation.
- Conducting a controlled operation would enable police to gather direct evidence on the involvement of those persons.
- Based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 8 am on 16 July 2003 Controlled Operation Certificate 2003—04/01 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

This information is excluded under the provisions of section 15T(3).

Law Enforcement Officers

Nil

Nature of activities

Substitution of the heroin with an inert substance and a controlled delivery sample.

Consignment was then conveyed to the intended recipient address.

Illicit goods*Type*

Heroin

Weight/quantity

99620.6 grams (net)

Current location

A sample of the narcotic goods was sent to the Australian Government Analytical Laboratories (AGAL) for analysis.

The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

The consignment was sent by sea cargo from Hong Kong and arrived in Sydney, Australia, aboard a vessel.

Persons who had possession of the illicit goods

AFP members and Australian Customs Service officers

Additional information

Investigations were continuing in relation to this matter.

Controlled operation number

2003—04/02

Previous applications

Nil

Date of application

16 July 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 2.20 pm on 16 July 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 15 August 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person or persons targeted by the controlled operation had committed an offence of import prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this offence of import prohibited import against section 233B(1)(b) of the *Customs Act*, is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment;
- the offence/s which are the subject of the controlled operation involved the importation of a shipping container which contained approximately 115 kg of 3,4-methylenedioxymethamphetamine (MDMA commonly known as ecstasy);
- conducting a controlled operation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 2.30 pm on 28 July 2003 Controlled Operation Certificate 2003—04/02 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

This information is excluded under the provisions of section 15T(4)(b).

Illicit goods*Type*

MDMA

Weight/quantity

106,609 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Package was sent from Amsterdam and travelled to Sydney onboard a cargo vessel.

Persons who had possession of the illicit goods

Australian Customs Officer 6972

Federal Agent 5465

Federal Agent 10710

Federal Agent 12026

Federal Agent 12086

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2003—04/03

Previous applications

Nil

Date of application

24 July 2003

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 8.30 am, 24 July 2003, John Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 19 October 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons targeted by the controlled operation was likely to commit an offence of conspiracy to import a prohibited import contrary to section 233B(1)(d) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment, or a fine not exceeding \$750,000, or both;
- ③ the subject of the controlled operation involved targeting the importation into an unknown location in Australia of a commercial quantity of MDMA, a prohibited import under Schedule VI of the *Customs Act*;

- ② conducting a controlled operation would provide police with an opportunity to identify persons in Australia and overseas involved in the commission of the offence/s subject of the controlled operation;
- ② conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ② based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 2.30 pm, 19 August 2003, Controlled Operation Certificate 2003—04/03 was terminated.

Conduct of the controlled operation

On 24 July 2003, John Lawler issued a major controlled operation certificate. AFP Undercover Operative (UCO) 83009 met with individual one in Perth, Western Australia. Acting pursuant to the certificate, UCO 83009 purchased 1,000 tablets of MDMA from individual one. Individual one's partner, individual two, facilitated the delivery of the purchase. UCO 83009 contacted individual one to advise that the MDMA she/he had supplied had been of good quality. UCO 83009 proposed they meet to discuss future transactions. Individual one agreed.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative (UCO) 83009

Nature of activities

The purchase of 1,000 tablets of MDMA from individual one by AFP UCO 83009 who then surrendered the tablets to another member of the AFP.

Illicit goods

Type

MDMA

Weight/quantity

297.8 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis.

The bulk of the narcotic goods are securely stored at Perth Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Unknown

Persons who had possession of the illicit goods

Individual one

Individual two

UCO 83009

Federal Agent 3130

Additional information

The individuals subject to this matter were before the court.

Controlled operation number 2003—04/04

Previous applications

Nil

Date of application

18 August 2003

Authorising officer

Pavle Jevtovic

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6 pm, 18 August 2003 Pavle Jevtovic, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 25 August 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person or persons targeted by the controlled operation had committed an offence of import prohibited import into Australia against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of \$500,000, or 25 years imprisonment, or both.
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.
- Further information has been excluded under section 15T(4)(b).

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 4.15 pm, 25 August 2003 Controlled Operation Certificate 2003—04/04 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

This information is excluded under the provisions of section 15T(3).

Law Enforcement Officers

Federal Agent 10047
Federal Agent 12044
Federal Agent 10335
Federal Agent 12039

Federal Agent 11793
Federal Agent 12038
Federal Agent 4133
Federal Agent 11644
Federal Agent 10502

Nature of activities

No person/s attempted to collect the narcotic goods.

Illicit goods*Type*

Heroin

Weight/quantity

868.3 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Phnom Penh, Cambodia to Sydney, NSW, then to Gold Coast, Queensland

Persons who had possession of the illicit goods

Members of the AFP

Additional information

Investigations were continuing in relation to this matter.

Controlled operation number

2003—04/05

Previous applications

Nil

Date of application

25 August 2003

Authorising officer

Peter Drennan

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 5.27 pm, 25 August 2003 Peter Drennan, a senior executive AFP employee who is a member of the AFP and authorised in writing by the

Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 24 September 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ② the person or persons targeted by the controlled operation had committed an offence of import prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment;
- ② the offence/s which was the subject of the controlled operation involved the importation of a shipping container, which contained approximately 15 kg of heroin;
- ② conducting a controlled operation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offence/s subject of the controlled operation;
- ② conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ② based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or Surrender

At 5.30 pm, 28 August 2003 Controlled Operation Certificate 2003-04/05 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

This information is excluded under the provisions of section 15T(4)(b).

Law Enforcement Officers

Federal Agent 11923
Federal Agent 12075
Federal Agent 11640
Federal Agent 11993
Federal Agent 11627
Federal Agent 11746

Nature of activities

Delivery of the consignment from the ACS facility to Millers Storage at 444 Jones Street, Ultimo, NSW

Illicit goods*Type*

Heroin

Weight/quantity

13,803.3 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Sydney Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Shenzen, China, to Port Botany, Sydney, by commercial ship

Persons who had possession of the illicit goods

This information is excluded under the provisions of section 15T(4)(b).

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2003—04/06

Previous applications

Nil

Date of application

26 August 2003

Authorising officer

Francis Prendergast

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6.30 pm, 26 August 2003 Francis Prendergast, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 2 September 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons targeted by the controlled operation was likely to commit an offence of import a prohibited import of narcotics, namely cocaine contrary to section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty, in the case of a commercial quantity (two kg of cocaine), of a fine not exceeding \$750,000, or imprisonment for life, or both; in the case of a trafficable quantity (two grams of cocaine), the maximum penalty available is a fine not exceeding \$500,000, or imprisonment for 25 years, or both;

- ③ the offence that was the subject of the controlled operation was believed to be an importation of a commercial quantity of cocaine within a shipment imported from Ecuador. The shipment was imported in to Sydney, with the intended delivery address in Melbourne;
- ④ conducting a controlled operation would provide police with an opportunity to identify person/s in Australia and/or overseas involved in the commission of the offence/s that were the subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Not applicable. Controlled Operation Certificate 2003—04/06 expired on 2 September 2003.

Conduct of the controlled operation

On 1 September 2003 the reconstructed consignment was delivered to Unit 6, 20 Grevillia Road, Oak Park in Victoria by an AFP member. Mr Hernan Andrade was seen to collect the consignment from the AFP member and place it in the doorway of Unit 6, 20 Grevillia Road, Oak Park. A short time later, Mr Andrade was seen to remove the consignment from Unit 6, then take it inside Unit 5, 20 Grevillia Road, Oak Park, Victoria.

AFP surveillance members followed Mr Andrade and Kamal Younan to 14 Katandra Crescent, Broadmeadows, Victoria. Surveillance was maintained on these premises and no other persons were seen to enter or leave.

AFP members then attended the premises and arrested Mr Andrade and Mr Younan in the vicinity of a shed at the rear of the premises. The consignment was located within the shed. The consignment had been opened. The inert substance and the controlled delivery sample (containing 20 grams of cocaine) had been removed from the consignment.

Target/s of the controlled operation

Hernan Javier Andrade born 14 August 1961

Kamal Younan born 16 August 1971

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 10196

Federal Agent 11776

Federal Agent 4557

Nature of activities

Federal Agent 10196 took possession of the illicit goods (1,979.6 grams of cocaine) in Sydney and conveyed them to Melbourne.

Federal Agent 11776 took possession of the controlled delivery sample (concealed within the original consignment) and conveyed it to Federal Agent 4557 who then delivered it to the intended recipients.

Illicit goods*Type*

Cocaine

Weight/quantity

1979.6 grams

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Ecuador to Sydney in a shipping container. Intended delivery address, Melbourne. AFP members conveyed the illicit goods from Sydney to Melbourne.

Persons who had possession of the illicit goods

Hernan Javier Andrade

Kamal Younan

Federal Agent 10196

Federal Agent 11776

Federal Agent 4557

Additional information

Hernan Andrade was sentenced to four years imprisonment with a non parole period of two years and six months, after which he would be released on his own recognisance under a two-year, \$2,000 good behaviour bond.

Kamal Younan was sentenced to two years and six months imprisonment with a non parole period of one year and six months, after which he would be released on his own recognisance under a two-year, \$2,000 good behaviour bond.

Controlled operation number

2003—04/07

Previous applications

2003—04/03

Date of application

26 August 2003

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 2.45 pm, 28 August 2003 John Lawler, performing the duties of the Deputy Commissioner of the AFP issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 28 November 2003.

Previous application/s

A previous application was made authorising a major controlled operation in this matter 2003-04/03.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the persons targeted by the controlled operation were likely to commit serious Commonwealth offences of importing prohibited imports into Australia, contrary to section 233B(1)(b) of the *Customs Act 1901*, without reasonable excuse possessing prohibited imports which had been imported into Australia contrary to section 233B(1)(c) of the *Customs Act* or conspiring to commit an offence pursuant to section 233B(1)(b) of the *Customs Act* of importing a prohibited import into Australia contrary to section 11.5(1) of the *Criminal Code Act 1995*,

whether or not the controlled operation took place;

- the offence of importing a prohibited import into Australia against section 233(1)(b) of the Customs Act is a serious Commonwealth offence and attracts a maximum penalty, if a commercial quantity, of life imprisonment or a fine not exceeding \$750,000, or both, or if a trafficable quantity it attracts a maximum penalty of 25 years imprisonment, or a fine not exceeding \$500,000, or both;
- the offence of possess a prohibited import which has been imported into Australia against section 233B(1)(c) of the Customs Act is a serious Commonwealth offence and attracts a maximum penalty, if a commercial quantity, of life imprisonment, or a fine not exceeding \$750,000, or both. If a trafficable quantity it attracts a maximum penalty of 25 years imprisonment, or a fine not exceeding \$500,000, or both;
- conspiring to commit an offence pursuant to section 233B(1)(b) of the Customs Act of importing prohibited imports into Australia is a serious Commonwealth offence contrary to section 11.5(1) of the Criminal Code Act. This section states that a person conspiring with another person to commit an offence is punishable by imprisonment for more than 12 months, or by a fine of 200 penalty units or more, is guilty of the offence of conspiracy to commit that offence and is punishable as if the offence to which the conspiracy related had been committed;
- a conspiracy to import a prohibited import into Australia attracts a maximum penalty, if a commercial quantity, of life imprisonment and a fine not exceeding \$750,000. If a trafficable quantity it attracts a maximum penalty of 25 years imprisonment, and a fine not exceeding \$500,000, or both;
- the offence/s which is the subject of the controlled operation involved targeting the importation of a commercial quantity of MDMA, a prohibited import under section Schedule VI of the Customs Act;
- conducting a controlled operation would provide police with an opportunity to identify persons in Australia and overseas involved in the commission of the offences subject of the controlled operation;

- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 6.15 pm, 19 November 2003 Controlled Operation Certificate 2003—04/07 was terminated.

Conduct of the controlled operation

On 28 August 2003, John Lawler issued a major controlled operation certificate. AFP UCOs 83009 and 77314 met with individual one in Perth to discuss larger quantities of MDMA being regularly supplied to UCO 83009. UCO 83009 and individual one discussed the topic of meeting individual one's supplier, individual two.

UCO 83009 and 77314 met with individual one in Perth. UCO 77314 left the meeting after a short time. Individual one and UCO 83009 discussed the possibility of individual one supplying the UCO with up to 80,000 tablets of MDMA. The idea of meeting individual one's supplier was discussed. Individual two phoned UCO 83009 and requested the UCO travel to the United Kingdom (UK) to meet her/him.

The UCO agreed and advised they would talk further to finalise a meeting date. UCO 83009 was contacted by individual two who stated her/his 'mate' had some documents and requested that the UCO help her/his mate with the documents. This was understood to mean that the UCO was to assist individual one with the physical transfer of monies from Australia to the UK when undertaking travel to the UK to meet individual two. The UCO agreed to assist.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 83009

AFP Undercover Operative 77314

Nature of activities

UCO 83009 to undertake discussions with individual two in the UK to enter negotiations to purchase a quantity of MDMA from an individual and assist individual two with the physical transfer of monies from Australia to the UK.

Illicit goods

Not applicable

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2003—04/08

Previous applications

2002—03/33

Date of application

3 September 2003

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 12.10 pm, 4 September 2003 John Lawler, performing the duties of AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 4 March 2004.

Previous application/s

A previous application had been made authorising a major controlled operation in this matter 2002—03/33.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person or persons targeted by the controlled operation was likely to commit an offence of import a prohibited import contrary section 233B of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment, or a fine not exceeding \$750,000, or both;
- the offence of conspiring with another person with the intention of dishonestly obtaining a gain from a third person and the third person is a Commonwealth entity against section 135.4 of the *Criminal Code Act 1995* is a serious Commonwealth offence and attracts a maximum penalty of 10 years imprisonment;
- the offence/s which were the subject of the controlled operation involved targeting the acquisition of false passports using forged documents and the importation of a commercial quantity of cocaine, a prohibited import under Schedule VI of the Customs Act;
- conducting a controlled operation would provide police with an opportunity to identify persons in Australia and overseas involved in the commission of the offence/s subject of the controlled operation; and
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

This controlled operation was reviewed by a nominated Administrative Appeals Tribunal (AAT) member Donald Muller on 1 December 2003. The review concluded that the controlled operation should remain in force until 4 March 2004.

Termination or surrender

At 9.45 am, 28 January 2004 Controlled Operation Certificate 2003—04/08 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 46905

Nature of activities

The UCO was used to facilitate the issue of false passports and to identify persons involved in an alleged conspiracy to import cocaine into Australia.

Illicit goods

Not applicable

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2003—04/10

Previous applications

2002—03/57

Date of application

15 October 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 7.20 pm, 16 October 2003, John Davies, AFP Deputy Commissioner, issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 15 April 2004.

Previous application/s

A previous application was made authorising a controlled operation in this matter 2002—03/57.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons targeted by the major controlled operation was likely to commit an offence of import a prohibited import, namely firearms, contrary to section 233BAB(5) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$275,000, or imprisonment for 10 years, or both;
- ③ the offence that was the subject of this controlled operation was believed to be an impending illegal importation of firearms within a container of furniture being sent from Italy. It was believed the container holding those firearms would be imported to Melbourne;
- ④ conducting a controlled operation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

At 2.15 pm, 13 January 2004, John Davies, AFP Deputy Commissioner issued a Variation to Certificate 2003—04/10, authorising a major controlled operation. The variation was necessary for the success of the controlled operation.

Review

This controlled operation was reviewed by AAT member Joan Dwyer on 14 January 2004. The review found the controlled operation should not remain in force beyond the three month review date.

Termination or surrender

Not applicable. Controlled Operation Certificate 2003—04/10 expired on 16 January 2004.

Conduct of the controlled operation

Further information has been excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 19563

Nature of activities

Further information has been excluded under the provisions of section 15T(3) and 15T(4)(b).

Illicit goods

Not applicable

Additional information

If further information is received investigations may recommence.

Controlled operation number

2003—04/11

Previous Applications

Nil

Date of application

15 October 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 4.50 pm, 15 October 2003 John Davies, AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 15 November 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person or persons targeted by the major controlled operation was likely to commit an offence of threat to kill against section 8(4) of the *Crimes (Internationally Protected Persons) Act 1976*, whether or not the controlled operation took place;
- the offence of threat to kill against this section is a serious Commonwealth offence and attracts a maximum penalty of seven years imprisonment;
- the offence which is the subject of the controlled operation involved a threat to kill a protected person contrary to 8(4) *Crimes (Internationally Protected Persons) Act*; this offence attracts a maximum penalty of seven years imprisonment;
- conducting a controlled operation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offences subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

Not applicable. Controlled Operation Certificate 2003—04/11 expired on 15 November 2003.

Conduct of the controlled operation

On 15 October 2003, Deputy Commissioner John Davies issued a major controlled operation certificate. This related to individual one who had made threats to kill a protected person.

The major controlled operation was commenced to gather evidence to determine if any offences had been committed specifically against section 8(4) Crimes (Internationally Protected Persons) Act.

These threats were made via the internet using the internet identity.

AFP UCO 49391 initiated a conversation with the Internet identity, consisting of about two typed pages of dialog. During this conversation the Internet identity did not make any threats to kill the protected person.

UCO 49391 engaged the Internet identity in another Internet conversation, consisting of approximately three typed pages of dialogue. The Internet identity again made no threats to kill the protected person.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 49391

Nature of activities

UCO 49391, through the Internet, engaged an identity in conversation regarding his/her plan to kill a protected person.

Illicit goods

Not applicable

Additional information

Nil

Controlled operation number

2003—04/12

Previous applications

Nil

Date of application

3 November 2003

Authorising officer

Nicholas Anticich

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 8.28 am, 3 November 2003 Nicholas Anticich, a senior executive AFP employee who is a member of the AFP and is authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 12 November 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation was likely to commit an offence of possessing a prohibited import contrary to section 233B(1)(c) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of 25 years imprisonment in respect of a trafficable quantity of narcotics;
- ③ the offence involved importing approximately 200 grams of MDMA in a DHL Worldwide Express satchel from the UK to Perth, Western Australia;
- ④ conducting a controlled operation would provide police with an opportunity to identify persons in Australia and overseas involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- ⑥ based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 8.35 am, 6 November 2003 Controlled Operation Certificate 2003—04/12 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 12187

Nature of activities

The parcel was delivered by an AFP member acting in a covert capacity. The controlled operation identified the recipient and that person was subsequently arrested.

Illicit goods*Type*

3,4-methylenedioxymethamphetamine (MDMA)

Weight/quantity

414.9 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Perth Office, Drugs and Property Registry.

Route through which the illicit goods travelled

UK to Singapore to Perth Australia aboard flight SQ215. The package was then delivered as part of the controlled operation.

Persons who had possession of the illicit goods

Federal Agent 12187

Further information has been excluded under the provisions of section 15T(4)(b).

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2003—04/13

Previous applications

Nil

Date of application

10 November 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 2.05 pm, 10 November 2003 John Davies, AFP Deputy Commissioner issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 10 December 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the persons targeted by the controlled operation were likely to commit an offence of import prohibited Tier 1 goods into Australia contrary to section 233BAA(4) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of 1,000 penalty units, five years imprisonment, or both;
- ephedrine is a Tier 1 good listed under Schedule 4, *Customs (Prohibited Imports) Regulations 1956* as a prohibited import;
- conducting a controlled operation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offence/s subject of the controlled operation;

- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the persons would deny all knowledge of the importation and the importation would likely occur through a different means not known to police.

Further information has been excluded under the provisions of section 15T(4)(b).

Variation of certificate

At 6.30 pm, 26 November 2003 John Davies, AFP Deputy Commissioner issued a Variation to Certificate 2003—04/13, authorising a controlled operation. The variation was necessary for the success of the controlled operation and to ensure that all those involved in the operation had appropriate exemption under section 15I and appropriate indemnity under section 15IA of the Act.

Review

Not required

Termination or surrender

At 9 am, 10 December 2003 Controlled Operation Certificate 2003—04/13 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

This information is excluded under the provisions of section 15T(4)(b).

Law Enforcement Officers

Federal Agent 10341
Federal Agent 11795
Federal Agent 5072

Nature of activities

This information is excluded under the provisions of section 15T(4)(b).

Illicit goods

Type

Pseudoephedrine/ephedrine

Weight/quantity

2,394 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Brisbane Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Nadi, Fiji, aboard Flight QF392. Collected by AFP members and accompanied on Flight QF552, where it was transported by AFP vehicle and lodged in Brisbane office, Drug and Property Registry.

Persons who had possession of the illicit goods

No persons had possession of the illicit substance during the delivery of the goods as the narcotic goods were fully substituted.

Additional information

The individuals subject to this matter were before the court.

Controlled Operation number 2003—04/14

Previous Applications

2003—04/03 and 2003—04/07

Date of Application

19 November 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6.25 pm, 19 November 2003 John Davies, AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 19 February 2004.

Previous application/s

Two previous applications were made authorising major controlled operations in this matter numbers 2003—04/03 and 2003—04/07

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the persons targeted by the major controlled operation were likely to commit offences of importing prohibited imports into Australia contrary to section 233B(1)(b) of the *Customs Act 1901* whether or not the controlled operation took place; without reasonable excuse possessing prohibited imports which have been imported into Australia contrary to section 233B(1)(b) of the Customs Act whether or not the controlled operation took place; conspiring to commit an offence pursuant to section 233B(1)(b) of the Customs Act of importing a prohibited import into Australia contrary to section 11.5(1) of the *Criminal Code Act 1995*, whether or not the controlled operation took place; or dealing in the proceeds of crime to the value of \$10,000 or more contrary to section 400.6(1)(a)(b)(i) of the Criminal Code Act, whether or not the controlled operation took place;
- the offence of importing prohibited imports into Australia contrary to section 233B(1)(b) of the Customs Act is a serious Commonwealth offence and attracts a maximum penalty, if a commercial quantity, of life imprisonment, or a fine not exceeding \$750,000, or both, or if a trafficable quantity it attracts a maximum penalty of 25 years imprisonment, or a fine not exceeding \$500,000, or both;
- the offence of possessing without reasonable excuse a prohibited import into Australia contrary to section 233B(1)(c) of the Customs Act is a serious Commonwealth offence and attracts a maximum penalty, if a commercial quantity, of life imprisonment, or a fine not exceeding \$750,000, or both, a trafficable quantity it attracts a maximum penalty of 25 years imprisonment, or a fine not exceeding \$500,000, or both;
- conspiring to commit an offence pursuant to section 233B(1)(b) of the Customs Act of importing prohibited imports into Australia is a serious Commonwealth offence contrary to section 11.5(1) of the Criminal Code Act. Section 11.5 of the Criminal Code Act states that a person who conspires with another person to commit an offence punishable by imprisonment for more than 12 months or by a fine of 200 penalty units or more, is guilty of the offence of conspiracy to commit that offence and is punishable as if the offence to which the conspiracy relates had been committed;
- a conspiracy to import a prohibited import into Australia attracts a maximum penalty, if a commercial quantity, of life imprisonment, or a fine not exceeding \$750,000, or both, or if a trafficable quantity it attracts a maximum penalty of 25 years imprisonment, or a fine not exceeding \$500,000, or both;
- the offence of the dealing in proceeds of crime including money valued at more than \$10,000 contrary to section 400.6(1)(a)(b)(i) of the Criminal Code Act is a serious Commonwealth offence and attracts a maximum penalty of 10 years imprisonment, and a fine not exceeding 600 penalty units, or both;
- the offence/s that was the subject of the major controlled operation involved importing and distributing of a commercial quantity of MDMA and the dealing with the proceeds of crime valued at more than \$10,000;
- conducting a major controlled operation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offence/s subject of the controlled operation;
- conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 11.30 am, 19 January 2004 Controlled Operation Certificate 2003—04/14 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 83009

Nature of activities

This information is excluded under the provisions of section 15T(4)(b).

Illicit goods

Not applicable

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2003—04/15

Previous applications

Nil

Date of application

3 December 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 4.30 pm, 3 December 2003 John Davies, AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 2 January 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person targeted by the controlled operation was likely to commit the offence of knowingly collecting or making documents likely to facilitate terrorist acts against sections 101.5(1), and other acts done in preparation for, or planning, terrorist acts section 101.6(1) of the *Commonwealth Criminal Code Act 1995*, financing terrorism section 103.1(1) of the Commonwealth Criminal Code Act, whether or not the controlled operation took place;
- ② the offence of knowingly collecting or making documents likely to facilitate terrorist acts against section 101.5(1) of the Commonwealth Criminal Code Act is a serious Commonwealth offence and attracts a maximum penalty of 15 years;
- ③ the offence of other acts done in preparation for, or planning, terrorist acts against section 101.6(1) of the Commonwealth Criminal Code Act is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment;
- ④ the offence of financing terrorism section 103.1(1) of the Commonwealth Criminal Code Act is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment;
- ⑤ the offences the subject of the major controlled operation involved members of the NSW Police Force who were investigating the anticipated preparation and planning of a terrorist act. It was believed that a Martyrdom video in relation to the proposed terrorist act was produced;
- ⑥ it was anticipated that an undercover NSW Police operative would purchase this video tape thereby constituting a number of offences under the Criminal Code Act knowingly collecting or making documents likely to facilitate terrorist acts, other acts done in preparation for, or planning, terrorist acts and financing terrorism;
- ⑦ conducting a major controlled operation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offences subject of the controlled operation;

- ① conducting a major controlled operation would enable the police to gather direct evidence of the involvement of this person; and
- ② based on previous experience it was likely that, if confronted, the person would deny all knowledge.

Further information is excluded under the provisions of section 15T(3).

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 6 pm, 4 December 2003 Controlled Operation Certificate 2003—04/15 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

New South Wales Undercover Operative 277

Nature of activities

The purchase of a martyrdom video tape from its maker by a NSW Police UCO

Illicit goods

Not applicable

Additional information

The individual subject to this matter was before the court.

Controlled operation number 2003—04/16

Previous applications

Nil

Date of application

16 January 2004

Authorising officer

Pavle Jevtovic

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 3.17 pm, 16 January 2004 Pavle Jevtovic, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 15 March 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the persons targeted by the controlled operation was likely to commit offences of possessing a prohibited import contrary to section 233B(1)(c) of the *Customs Act 1901*, import prohibited import into Australia contrary to section 233B(1)(b) of the Customs Act, conspiracy to import prohibited import contrary to section 11.5(1) of the *Criminal Code Act 1995*, and import into Australia goods which are Tier 1 goods, the importation of which is prohibited absolutely pursuant to Schedule 4 of the *Customs (Prohibited Imports) Regulations 1956*, contrary to section 233BAA(4) Customs Act, whether or not the controlled operation took place;
- ② the offence of import a prohibited import contrary to section 233B(1)(b) of the Customs Act and conspiracy to import prohibited import contrary

to section 11.5(1) of the Criminal Code Act are serious Commonwealth offences and attract a maximum penalty of 25 years imprisonment, or a \$500,000 fine, or both;

- ▶ the offence of importing prohibited Tier 1 goods into Australia is a serious Commonwealth offence and attracts a maximum penalty of 1,000 penalty units, or five years imprisonment, or both;
- ▶ the offences subject to the controlled operation are outlined above;
- ▶ members of the AFP were investigating the planned importation into Australia and possession of a quantity of crystal methamphetamine hydrochloride (commonly referred to as ice) and three 500 kg amounts of ephedrine hydrochloride (ephedrine) from the Philippines;
- ▶ conducting a controlled operation in relation to the first importation would provide law enforcement investigators with an opportunity to identify those persons in Australia and/or overseas; and
- ▶ based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 3.25 pm, 23 January 2004, Controlled Operation Certificate 2003—04/16 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

Nil activities were undertaken as the controlled operation was terminated prior to the narcotic importation occurring.

Illicit goods

Not applicable

Additional information

A further certificate authorising a controlled operation was issued 2003—04/19 refers.

The individuals subject to this matter were before the court.

The narcotic goods were seized and remained in the Philippines.

Controlled operation number

2003-04/19

Previous applications

2003-04/16

Date of application

6 February 2004

Authorising officer

Michael Phelan

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 8.35 am, 10 February 2004 Michael Phelan, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was issued for the period commencing on the date of issue until 9 April 2004.

Previous application/s

A previous associated application was made authorising a controlled operation relating to this matter 2003—04/16.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ② the person or persons targeted by the controlled operation was likely to commit the offences of import prohibited import into Australia against section 233B(1)(b) of the *Customs Act 1901*, possess a prohibited import contrary to section 233B(1)(ca) of the Customs Act, conspiracy to import prohibited import against section 11.5 of the *Criminal Code Act 1995*, and import into Australia goods which are Tier 1 goods, the importation of which is prohibited absolutely pursuant to Schedule 4 of the *Customs (Prohibited Imports) Regulations 1956* against section 233BAA(4) Customs Act, whether or not the controlled operation took place;
- ② the offences of import prohibited import into Australia against section 233B(1)(b) of the Customs Act and conspiracy to import prohibited import against section 11.5(1) of the Criminal Code Act are serious Commonwealth offences that attract a maximum penalty of \$500,000, or 25 years imprisonment, or both;
- ② the offence of importing Tier 1 goods into Australia is a serious offence and attracts a maximum penalty of 1,000 penalty units, or five years imprisonment, or both;
- ② the offences subject to the controlled operation are outlined above;
- ② members of the AFP investigated the planned importation into Australia and the possession of crystal methamphetamine hydrochloride, (commonly referred to as ice) and three 500 kg amounts of ephedrine hydrochloride (ephedrine) from the Philippines;
- ② conducting a controlled operation in relation to the first importation would provide police with an opportunity to identify persons in Australia and/or overseas involved in the commission of the offences subject of the controlled operation;
- ② conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- ② based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Further information has been excluded under the provisions of section 15T(4)(b).

Variation of certificate

Nil

Review

Not required

Termination or surrender

Not required as Controlled Operation Certificate 2003—04/19 expired on 9 April 2004.

Conduct of the controlled operation

The controlled operation certificate was granted in advance of the impending narcotic importation. Because the importation was disrupted and seized prior to reaching Australia and because a number of suspects were arrested, the activities subject to the controlled operation certificate were not undertaken.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

The activities subject to the controlled operation certificate were not undertaken.

Illicit goods

Not applicable

Additional information

The individuals subject to this matter were before the court.

The narcotic goods were seized and remained in the Philippines.

Controlled operation number

2003—04/21

Previous applications

Nil

Date of application

18 February 2004

Authorising officer

Shane Connelly

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6 pm, 18 February 2004 Shane Connelly, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, declined to issue a certificate authorising a controlled operation to be undertaken.

Period for which the certificate was issued

The certificate was not issued.

Previous application/s

Nil

Grounds for not issuing a certificate

On the information provided, the authorising officer believed there were other means available to investigators to identify the offender and the controlled operation placed the proposed civilian witness at a level of risk that was too high and this was not manageable.

Variation of certificate

Nil

Review

Not required

Termination or surrender

Not applicable as Controlled Operation Certificate 2003—04/21 was not issued.

Conduct of the controlled operation

Not applicable

Target/s of the controlled operation

Not applicable

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

Not applicable

Illicit goods

Not applicable

Additional information

Nil

Controlled operation number

2003—04/23

Previous applications

Nil

Date of application

25 February 2004

Authorising officer

Peter Drennan

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 9.15 am, 25 February 2004 Peter Drennan, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 25 March 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons targeted by the controlled operation had committed an offence of import a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of a fine of \$500,000, or imprisonment for 25 years, or both;

- ② conducting a controlled operation would provide police with an opportunity to identify persons in Australia and overseas involved in the commission of the offence/s subject of the controlled operation;
- ② conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- ② based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Further information has been excluded under the provisions of section 15T(4)(b).

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 12.20 pm, 25 February 2004 Controlled Operation Certificate 2003—04/23 was surrendered to enable a new controlled operation certificate to be issued (2003-04/24 refers).

Conduct of the controlled operation

Administrative errors were identified in the controlled operation documentation and the certificate was surrendered prior to any conduct/activity being undertaken.

Target/s of the controlled operation

Not applicable

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

Not applicable

Illicit goods

Not applicable

Additional information

This controlled operation certificate was surrendered to correct identified administrative errors.

Subsequently Controlled Operation Certificate 2003—04/24 was applied for and issued.

Controlled operation number

2003—04/24

Previous applications

2003—04/23

Date of application

25 February 2004

Authorising officer

Peter Drennan

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 12.25 pm, 25 February 2004 Peter Drennan, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 25 March 2004.

Previous application/s

A previous associated application was made authorising a controlled operation relating to this matter 2003—04/23.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ② the person or persons targeted by the controlled operation had committed an offence of import a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of a fine of \$500,000, or imprisonment for 25 years, or both;

- ▶ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ▶ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- ▶ based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Further information has been excluded under the provisions of section 15T(4)(b).

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 9 am, 2 March 2004 Controlled Operation Certificate 2003—04/24 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 12075

Nature of activities

AFP Officer 12075, acting in a covert capacity, delivered the package containing the controlled delivery sample of 20 grams (gross) of the original opium to the intended recipients. This controlled operation identified the recipient and that person was subsequently arrested.

Illicit goods

Type

Opium

Weight/quantity

2986.5 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Brisbane office, Drugs and Property Registry.

Route through which the illicit goods travelled

TNT parcel arrived on QANTAS flight from Istanbul, Turkey. Customs, Marrickville, to AFP Sydney Headquarters. The controlled delivery item was then transported by an AFP member to the intended recipient.

Persons who had possession of the illicit goods

Federal Agent 12075

Further information has been excluded under the provisions of section 15T(4)(b).

Additional information

The individual subject to this matter was before the court.

Controlled operation number 2003—04/26

Previous applications

Nil

Date of application

31 March 2004

Authorising officer

Audrey Fagan

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 4.36 pm, 31 March 2004 Audrey Fagan, performing the duties of the AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 29 April 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ② the person or persons targeted by the major controlled operation had committed or was likely to commit an offence of dealing with money, believed to be proceeds of crime, in an amount exceeding \$100,000, against section 400.4(1) of the *Criminal Code Act 1995*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of imprisonment for 20 years, or 1,200 penalty units, or both;
- ② the offence which is the subject of the major controlled operation involved dealing with money, believed to be proceeds of crime, namely the transfer of approximately \$US160,000, believed to be the proceeds of crime, out of Australia;
- ② conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those persons in Australia who were involved in the commission of the offence subject of the major controlled operation;
- ② conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ② based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 12.45 pm, 19 April 2004 Controlled Operation Certificate 2003—04/26 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

AFP UCO 11789

Nature of activities

The receipt of the proceeds of crime and the transfer of these proceeds out of Australia

Illicit goods

Nil

Additional information

This matter was subject to further investigation.

Controlled operation number

2003—04/27

Previous applications

Nil

Date of application

17 March 2004

Authorising officer

Peter Drennan

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 8.37 am, 17 March 2004 Peter Drennan, a senior executive AFP employee who is a member of the Australian Federal Police and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 17 April 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ② the person or persons targeted by the controlled operation had committed an offence of importing a prohibited import against section 233B(1)(b) of

the *Customs Act 1901*, whether or not the controlled operation took place;

- ① this is a serious Commonwealth offence and attracts a maximum penalty of a fine of \$500,000, or imprisonment for 25 years, or both;
- ② the subject of the controlled operation involved importing a yellow box containing five tins of glucose. Each tin contained a layer of coffee under which was a blue plastic bag containing white powder. The white powder was found to weigh 991.1 grams (net) which presumptive testing showed MDMA;
- ③ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ④ conducting a controlled operation would enable police to gather direct evidence of the involvement of those person/s; and
- ⑤ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 4.30 pm, 16 April 2004 Controlled Operation Certificate 2003-04/27 was terminated.

Conduct of the controlled operation

About 2.45 pm, 14 March 2004 the AFP Airport Office was notified by Australian Customs Service Officers at Marrickville, Sydney, of a parcel post item believed to contain approximately 2.174 kg (gross) of MDMA also known as ecstasy. Samples of the item tested positive in narcotics test kit and ion scan to MDMA.

The narcotics were concealed in five tins of glucose. In each tin the MDMA powder was located in a blue plastic bag underneath a layer of coffee.

On 14 March 2004, AFP members went to Customs Marrickville and seized the items containing the suspected MDMA.

On 16 March 2004 the items were deconstructed by Forensics and found to contain 991.1 grams (net) of MDMA powder. The items were then reconstructed with a controlled delivery sample inserted.

On 17 March 2004 with the support of AFP members, AFP 12014 attempted to deliver the item to the intended recipient's address. No person was at the premise at this time and other units on the same level were unoccupied.

A short time later AFP 12014 attended the vicinity of the target premises to leave an Australia Post Unable to Deliver Card. Before the AFP member arrived at the premise, a man was observed getting out of a vehicle. He was observed moving to an open window of the target premises and put his head through it.

A short time later a woman was observed leaving the building in which the target premises was situated and met with the man. The man and woman then departed the vicinity in the man's vehicle.

AFP 12014 then delivered the Australia Post card, with an AFP contact mobile number, at the target premises. To date no person has contacted the AFP on this mobile phone number in relation to the item.

About 7.15am, on 18 March 2004 AFP 12014 with the support of other Federal Agents again attempted to deliver the item. After knocking at the door of the premises, a woman opened the door.

AFP 12014 identified the woman as the one who had been seen leaving the building the previous day with the man in the man's vehicle.

AFP 12014 had a conversation with the woman. She did not accept the delivery of the item and denied all knowledge of it. AFP12014 then left the premises with the item.

To date the AFP has not received notification from Australia Post Security providing details of anyone making inquiries about the item. Nor has the AFP received any further information in relation to this matter that could result in charges being laid. As a result the Controlled Operations Certificate was terminated.

Further information has been excluded under the provisions of section 15T(3).

Target/s of the controlled operation

Unidentified

Civilian participants

Nil

Law Enforcement Officers

AFP 12014

Nature of activities

The deconstruction of parcel post package which contained approximately 991.1 grams (net) of MDMA

The reconstruction and controlled delivery of the item with a controlled delivery a sample of 5.0 grams from MDMA to the intended recipients

Illicit goods*Type*

MDMA

Weight/quantity

991.1 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Germany through the postal service. Seized in transit at the Australia Post mailing centre in Marrickville, Sydney. The package was seized by ACS officers and transferred to the AFP on 14 March 2004.

Persons who had possession of the illicit goods

Federal Agent 12014

Additional information

No charges had been laid in relation to this matter.

Controlled operation number

2003—04/30

Previous applications

Nil

Date of application

29 April 2004

Authorising officer

Pavle Jevtovic

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 9.10 am, 30 April 2004 Pavle Jevtovic, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 29 May 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person or persons targeted by the controlled operation had committed an offence of import into Australia a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of \$500,000, or imprisonment for a period not exceeding 25 years, or both;
- section 233B(1)(ca) Customs Act without reasonable excuse (proof whereof shall lie upon him) has in his possession, any prohibited imports which are reasonably suspected of having been imported into Australia;
- section 233B(1)(d) Customs Act aids, abets, counsels or procures, or is in any way knowingly concerned in, the importation, into Australia of any prohibited imports;
- penalty upon conviction a fine not exceeding \$500,000 or imprisonment for a period not exceeding 25 years, or both;
- the offence involved using an international courier company to import, a package containing a five-litre clear plastic container holding approximately 5039.4 grams (net) of gamma-butyrolactone (GBL) from China into Australia. The liquid contents were analysed by the Queensland Government Chemist and confirmed to be GBL.

AFP forensics substituted the GBL with an inert substance;

- ② GBL is a precursor to gamma-hydroxybutyrate (GHB), more commonly known as fantasy, which has sleep-inducing effects. GBL is a cyclic ester (lactone) of 4-hydroxybutanoic acid, and is scheduled under item 5A of the Schedule to the Customs (narcotic Substances) Regulations. Pursuant to Regulation 4 of the Customs (Narcotic Substances) Regulations it is recognised as a narcotic substance;
- ② conducting a controlled operation provided police with the opportunity to gather direct evidence of the involvement of those persons in Australia involved in the commission of the offence subject of the major controlled operation;
- ② conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ② based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Further information has been excluded under the provisions of section 15T(4)(b).

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 1.45 pm, 5 May 2004 Controlled Operation Certificate 2003—04/30 was terminated.

Conduct of the controlled operation

Information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

Information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 3737

Nature of activities

Information is excluded under the provisions of section 15T(4)(b).

Illicit goods

Type

GBL

Weight/quantity

5039.4 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Brisbane office, Drugs and Property Registry.

Route through which the illicit goods travelled

China through the postal service. Seized in transit at the Australia Post mailing centre in Marrickville, Sydney, NSW. The package was seized by ACS officers and then transferred to AFP.

Persons who had possession of the illicit goods

Nil persons had possession of the illicit goods as they had been fully substituted.

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2003—04/34

Previous applications

Nil

Date of application

17 May 2004

Authorising officer

Francis Prendergast

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 9.30 am, 17 May 2004 Francis Prendergast, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 23 May 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons targeted by the controlled operation had committed an offence of importing or aiding, abetting, counselling, or procuring the import of a prohibited Tier 2 good against section 233BAB(5) of the *Customs Act 1901* and section 11.2(1) of the *Criminal Code Act 1995*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$250,000, or imprisonment for 10 years, or both;
- ③ the offences, the subject of the controlled operation involved the importation of prohibited imports (being Tier 2 goods) comprising pornographic material, specifically a Video Computer Disc (VCD) and associated packaging on which child pornography relating to persons under the age of 16 years, is depicted;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of any person; and
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

Not applicable. Controlled Operation Certificate 2003—04/34 expired on 23 May 2004.

Conduct of the controlled operation

A package was sent by EMS International Courier, a subsidiary of Australia Post, from an address in Bangkok, Thailand. On 13 March 2004, Customs at the Melbourne Airmail Transit Centre (MATC), 2-6 Sperry Drive, Tullamarine, Victoria examined the package and found a VCD with images of child pornography on the cover packaging of the VCD. The package was handed to the AFP on 10 May 2004 who securely stored it in accordance with AFP guidelines.

AFP Information Management substituted a duplicate copy of the VCD in the original packaging.

On 17 May 2004 the AFP members attempted to deliver the package containing the VCD to the consignee address. They were unsuccessful. AFP 10080 maintained possession of the package.

On 18 May 2004 a controlled delivery was conducted at the consignee address. The package was delivered by an AFP member acting in a covert capacity and was received and signed for by individual one. Individual one produced a driver's licence upon request by the AFP member to verify that she/he was the addressee recorded on the package.

On 20 May 2004 a section 3E *Crimes Act 1914* search warrant was executed at the consignee address. Numerous items were seized including the package which was unopened. The VCD was then lodged at the Drug and Property Registry, Melbourne Office, on 20 May 2004. Individual one agreed to participate in a taped record of interview at a later date.

Target/s of the controlled operation

Information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 12173

Nature of activities

An AFP Officer acting in a covert capacity delivered the package containing a VCD of child pornography to the consignee address on 18 May 2004.

Illicit goods*Type*

Child pornography

Weight/quantity

One VCD and associated packaging

Current location

The illicit goods are securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Bangkok, Thailand; Melbourne Airmail Transit Centre; Customs; AFP Melbourne Office

Persons who had possession of the illicit goods

Original VCD and associated packaging lodged at the Drug and Property Registry, Melbourne Office, 10 May 2004 by AFP 10080. During the controlled operation AFP 12173 possessed a duplicate copy of the VCD and original packaging.

Additional information

No charges had been laid in relation to this matter.

Controlled operation number

2003—04/38

Previous applications

Nil

Date of application

15 June 2004

Authorising officer

Graham Ashton

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 3.50 pm, 15 June 2004 Graham Ashton, performing the duties of the AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 15 July 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons targeted by the controlled operation had committed an offence of Conspiracy to Import into Australia prohibited imports to which section 233B of the *Customs Act 1901* applies, namely heroin, contrary to subsection 11.5(1) of the *Criminal Code Act 1995* and sub-section 233B(1)(b) of the *Customs Act*;
- ② this is a serious Commonwealth offence and attracts a penalty of imprisonment for a fine not exceeding 7,500 penalty units or imprisonment for life, or both or for such period as the Court thinks appropriate;
- ③ conducting a major controlled operation would provide police with an opportunity to identify those persons in Australia and Malaysia who were involved in the conspiracy to import narcotics into Australia, and monitor the activities of the syndicate in Australia and overseas;
- ④ conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- ⑤ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Further information has been excluded under the provisions of section 15T(3) and 15T(4)(b).

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 11.20 am, on 30 June 2004 Major Controlled Operation Certificate 2003—04/38 was terminated.

Conduct of the controlled operation

Information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

Information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

An AFP Undercover Operative was not used for this controlled operation.

Illicit goods

Nil

Additional information

This matter related to an ongoing investigation.

Controlled operation number

2003—04/40

Previous applications

Nil

Date of application

17 June 2004

Authorising officer

Graham Ashton

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 2.33 pm, 18 June 2004 Graham Ashton, performing the duties of the AFP Deputy Commissioner, issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 18 July 2004.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person or persons targeted by the controlled operation were likely to commit the following offences whether or not the controlled operation took place;
- conspiracy to import prohibited imports into Australia, namely narcotic goods being a commercial quantity of heroin, contrary to section 11.5(1) of the *Criminal Code 1995* and section 233B(1)(b) of the *Customs Act 1901*, is a serious Commonwealth offence punishable by a fine not exceeding \$750,000, or imprisonment for life, or both;
- import prohibited imports into Australia, namely narcotic goods being a commercial quantity of heroin, contrary to section 233B(1)(b) of the Customs Act, is a serious Commonwealth offence punishable by a fine not exceeding \$750,000, or imprisonment for life, or both;
- possess prohibited imports, namely narcotic goods being a commercial quantity of heroin, contrary to section 233B(1)(c) of the Customs Act, is a serious Commonwealth offence punishable by a fine not exceeding \$750,000, or imprisonment for life, or both;
- dealing in the proceeds of crime worth \$100,000 or more, namely a quantity of cash believed to be the proceeds of crime, contrary to section 400.4(1)(a)(i) of the *Criminal Code*, is a serious Commonwealth offence punishable by imprisonment for 20 years, or \$120,000, or both;
- the offence/s the subject of the controlled operation involved targeting the importation of a commercial quantity of heroin, a prohibited import under Schedule VI of the Customs Act;
- conducting a controlled operation provided police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not required

Termination or surrender

At 11.25 am, 30 June 2004 Controlled Operation Certificate 2003-04/40 was terminated.

Conduct of the controlled operation

Information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

Information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 84005

Royal Thai Police Undercover Operative 85291

Royal Thai Police Undercover Operative 83112

Nature of activities

Information is excluded under the provisions of section 15T(4)(b).

Illicit goods*Type*

Heroin

Weight/quantity

2676.2 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Bangkok, Thailand, to Melbourne, aboard flight TG 981

Persons who had possession of the illicit goods

Royal Thai Police Undercover Operative 85291

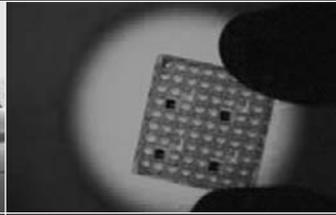
Federal Agent 5264

Federal Agent 10636

Additional information

The individual subject to this matter was before the court.

SCHEDULE 2



CERTIFICATES AUTHORISING A CONTROLLED OPERATION

Australian Crime Commission

Nineteen applications for certificates authorising controlled operations were made. All were approved.

The geographical spread of applications was:

Brisbane Office	2
Sydney Office	6
Melbourne Office	5
Adelaide Office	5
Perth Office	1

Commencing this reporting year the ACC adopted a new system for numbering controlled operations, with each certificate now centrally allocated a sequential number for that financial year (example: ACC 2003-04/1).

Certificates issued by ACC authorising officers

1 July 2003 to 30 June 2004

Controlled operation number

ACC 2003—04/01

Date of application

11 July 2003

Authorising officer

Robert McDonald, A/g Director National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

11 July 2003 at 6.40 pm to 18 July 2003 at 11:59 pm

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the export of a large amount of currency out of Australia.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities engaged in

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled Operation number

ACC 2003—04/02

Date of application

18 July 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

18 July 2003 at 2:35 pm to 16 August 2003 at 11:59 pm

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the export of a large amount of currency out of Australia.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities engaged in

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number

ACC 2003—04/03

Date of application

8 August 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

8 August 2003 to 7 September 2003

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the taking or sending of firearms across borders contrary to

section 360.3 of the *Criminal Code Act 1995* (Cth) and the intentional importation of a Tier 2 good, namely firearms, without appropriate approval contrary to section 233BAB(5) of the *Customs Act 1901*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number

ACC 2003—04/04

Date of application

15 August 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

15 August 2003 to 12 November 2003

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the intentional importation of a Tier 2 good, namely firearms, without appropriate approval contrary to section 233BAB(5) of the *Customs Act 1901*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number

ACC 2003—04/05

Date of application

16 August 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

16 August 2003 at 10:03 am to 14 September 2003 at 11:59 pm

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the unlawful export of a large amount of currency out of Australia.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number

ACC 2003—04/06

Date of application

17 August 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

17 August 2003 to 15 September 2003

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the unlawful export of a large amount of currency out of Australia

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(3), (4) of the Act.

Target/s of the controlled operation

Not applicable

Participants

This information is excluded under the provisions of section 15T(3), (4) of the Act.

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number

ACC 2003—04/07

Date of Application

8 September 2003

Authorising officer

Robert McDonald, A/g Director National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

From 8 September 2003 for a period of 30 days

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the importation of prohibited imports (ephedrine) into Australia contrary to section 233BAA of the *Customs Act 1901*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

The controlled operation was conducted as part of an ACC investigation. A consignment of 750 kg of pseudoephedrine, concealed as ceramic ornaments, was intercepted upon being imported into Australia. The goods were consigned to HTJ Trading Pty Ltd, 6 Third Ave, Berala, NSW. The bulk of the pseudoephedrine was substituted with inert material and approximately 130 kg of the drug left in the consignment. A controlled delivery was conducted on 10 September 2003 to premises at 6 Third Ave Berala, NSW. This resulted in the arrest of four persons. One of the principal targets, Doan Thanh Huong was not among those arrested and a warrant has been issued for her apprehension in connection with this matter.

Target/s of the controlled operation

Phan Dinh Thanh born 1 July 1970
Doan Thanh Huong born 29 September 1977
Doan Thi Thao Thanh born 4 September 1980

Participants

ACC Staff Member 2081
ACC Staff Member 2006
ACC Staff Member 2012
ACC Staff Member 2042
ACS Staff Member 2656
AFP Member 10921
AFP Member 10004

Nature of activities

The consignment contained approximately 130 kg of pseudoephedrine. It was delivered from the container examination facility at Port Botany, NSW, to premises at 6 Third Avenue, Berala, NSW. The pseudoephedrine was then recovered to the possession of law enforcement officers.

Illicit goods

The original consignment of 750 kg of pseudoephedrine originated in Thailand and arrived in Australia by sea cargo. The goods were substituted (leaving 130kg of the drug) and delivered by road transport to 6 Third Ave, Berala, NSW.

Narcotic goods

Not applicable pseudoephedrine is not a narcotic good within the meaning of the Customs Act.

Current location of narcotics

Not applicable pseudoephedrine is not a narcotic good. The pseudoephedrine is at the drug registry at AFP Sydney Office.

Additional information

Nil

Controlled operation number

ACC 2003—04/08

Date of application

28 September 2003

Authorising officer

Robert McDonald, A/g Director National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

From 28 September 2003 for 30 days

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the importation of prohibited imports (heroin) into Australia contrary to section 233B(1) of the *Customs Act 1901*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

The controlled operation was conducted as part of an ACC investigation. A consignment of 2.5 kg (gross weight) of heroin originating in Vietnam was intercepted as a result of inquiries conducted during Djura 3. The heroin six individual blocks and weighing approximately 430 grams each was concealed in packets of Omo brand laundry detergent powder. A substitution of all but 120 grams of the heroin was carried out and the laundry powder returned to the container in which it had originally arrived.

Persons targeted

Huynh Kim Huyen born 8 May 1962

Participants

ACC Staff Member 2006

ACC Staff Member 2012

ACS Staff Member 2656

AFP Member 10921

AFP Member 10892

Nature of activities

The certificate authorising the controlled operation was issued for a proposed controlled delivery, conducted on 2 October 2003, to target premises at 58 Riverview Road, Fairfield, NSW. The delivery contained approximately 120 grams of heroin. This operation resulted in the arrest of two persons, including the principal target. After the delivery, 60 grams of the heroin was found to have been removed from the shipment and disposed of by the target or the target's associates. It would be alleged by the Crown in the trial process that the two arrested removed the 60 grams of heroin for illicit purposes along with an amount of accompanying inert substance. The remaining 60 grams was located by police.

Illicit goods

The original consignment of heroin (approximately 2.5kgs) originated in Vietnam and arrived in Australia by sea cargo. The goods were substituted and delivered, including the 120 grams of heroin, by road transport to 58 Riverview Road, Fairfield, NSW.

Narcotic goods

The ACC, the ACS and the AFP. No person other than law enforcement officers had possession of narcotic goods during the course of the operation.

Destruction of narcotics

The narcotics have not yet been destroyed.

Current location of narcotics

The drug registry at AFP Sydney Office

Additional information

Nil

Controlled operation number

ACC 2003—04/09

Date of application

24 October 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

From 24 October 2003 for 90 days

Grounds for issue of certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely forgery (contrary to s.144.1 of the Criminal Code); using forged document (contrary to s.145.1 of the Criminal Code); possession of forged document (contrary to s.145.2 of the Criminal Code); and possession and/or making of devices for making forgeries (contrary to s.145.3 of the Criminal Code).

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Participants

This information is excluded under the provisions of section 15T(4) of the Act.

Nature of activities

This information is excluded under the provisions of section 15T(4) of the Act.

Illicit goods

This information is excluded under the provisions of section 15T(4) of the Act.

Narcotic goods

Nil

Additional information

A certificate was also obtained under the *Law Enforcement (Controlled Operations) Act 1997 (NSW)*.

Controlled operation number**ACC 2003—04/10****Date of application**

Telephone application made on 29 October 2003 with a follow-up written application on 30 October 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Urgent application pursuant to 15L of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

From 29 October 2003 for three months

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the importation of prohibited imports (cocaine) into Australia contrary to section 233B(1) of the *Customs Act 1901*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Participants

This information is excluded under the provisions of section 15T(4) of the Act.

Nature of activities

This information is excluded under the provisions of section 15T(4) of the Act.

Illicit goods

Nil

Narcotic goods

Nil

Additional information

This information is excluded under the provisions of section 15T(4) of the Act.

Controlled operation number**ACC 2003—04/11****Date of application**

18 November 2003

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

18 November 2003 to 17 February 2004

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal

activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the intentional importation of a Tier 2 good, namely firearms, without appropriate approval contrary to section 233BAB(5) of the *Customs Act 1901*; and cross border disposal or acquisition of a firearm and taking or sending a firearm across borders contrary to section 360.2 and 360.3 of the *Criminal Code Act 1995* (Cth).

Variation of certificate

Nil

Review

Nil

Termination or Surrender

Nil

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Participants

This information is excluded under the provisions of section 15T(4) of the Act.

Nature of activities

This information is excluded under the provisions of section 15T(4) of the Act.

Illicit goods

This information is excluded under the provisions of section 15T(4) of the Act.

Narcotic goods

Not applicable

Additional information

Nil

**Controlled operation number
ACC 2003—04/12****Date of application**

5 February 2004

Authorising officer

Robert McDonald, A/g Director National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

5 February to 11.59 pm on 4 March 2004

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the importation of prohibited imports (amphetamines or cocaine) into Australia contrary to section 233B(1) of the *Customs Act 1901* and the unlawful export of a large amount of currency out of Australia.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities

Not applicable

Illicit goods

Not applicable

Narcotic goods

Nil

Additional information

Nil

Controlled operation number

ACC 2003—04/13

Date of application

20 February 2004

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

20 to 27 February 2004

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely dealing with money to the value of \$1,000,00 or more that is intended to become an instrument of crime, contrary to section 400.7 of the Criminal Code.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Not applicable

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(3), (4) of the Act.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3), (4) of the Act.

Participants

This information is excluded under the provisions of section 15T(3), (4) of the Act.

Nature of activities

This information is excluded under the provisions of section 15T(3), (4) of the Act.

Illicit goods

Nil

Narcotic goods

Nil

Additional information

Nil

Controlled operation number

ACC 2003—04/14

Date of application

26 February 2004

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

26 February to 25 May 2004

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the intentional importation of a Tier 2 good, namely firearms, without appropriate approval contrary to section 233BAB(5) of the *Customs Act 1901*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Participants

This information is excluded under the provisions of section 15T(4) of the Act.

Nature of activities

This information is excluded under the provisions of section 15T(4) of the Act.

Illicit goods

This information is excluded under the provisions of section 15T(4) of the Act.

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number

ACC 2003—04/15

Date of application

17 March 2004

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

17 March to 16 June 2004

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the cross border disposal or acquisition of firearms and taking or sending of a firearm across borders contrary to section 360.2 and 360.3 of the *Criminal Code Act 1995*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

The certificate was surrendered on 13 May 2004.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4) of the Act.

Participants

This information is excluded under the provisions of section 15T(4) of the Act.

Nature of activities

This information is excluded under the provisions of section 15T(4) of the Act.

Illicit goods

Nil

Narcotic goods

Nil

Additional information

Prior to the grant of the certificate, the Chief Commissioner of the Tasmania Police Force signed a letter exempting participants in the ACC operation from all provisions of the Firearms Act 1996 (Tas). This letter was signed on 13 January 2004 and ceased in effect on 15 March 2004.

Controlled operation number**ACC 2003—04/16****Date of application**

31 March 2004

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

1 April 2004 to 30 April 2004

Grounds for the issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved a serious Commonwealth offence namely the possession of prohibited imports (amphetamine) suspected of being imported into Australia contrary to section 233B(1)(ca) of the *Customs Act 1901* and conspiracy to import a prohibited import contrary to section 11.5(1) of the Criminal Code Act and section 233B(1)(b) of the *Customs Act 1901*.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number**ACC 2003—04/17****Date of application**

18 May 2004

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

18 May until 11.59 pm on 16 June 2004

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved serious Commonwealth offences namely conspiracy to import a prohibited import (amphetamine, cocaine) contrary to section 11.5(1) of the Criminal Code Act and section 233B(1)(b) of the *Customs Act 1901*; conspiracy to import into Australia tier 1 goods, namely pre-cursors for the manufacture of amphetamine type substances, contrary to subsection 233BAA(4) of the Customs Act and subsection 11.5(1) of the Criminal Code; and conspiracy to possess a prohibited import, namely amphetamine type substances and/or cocaine, contrary to subsection 233B(1)(c) of the Customs Act and subsection 11.5(1) of the Criminal Code.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number

ACC 2003—04/18

Date of application

19 May 2004

Authorising officer

Robert McDonald, A/g Director, National Operations

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

1123hrs on 19 May 2004 and expiring on 19 August 2004

Grounds for the issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved serious Commonwealth offences namely conspiracy to import a prohibited import (amphetamine, cocaine) contrary to section 11.5(1) of the Criminal Code Act and section 233B(1)(b) of the *Customs Act 1901*; conspiracy to import into Australia tier 1 goods, namely pre-cursors for the manufacture of amphetamine type substances, contrary to subsection 233BAA(4) of the Customs Act and subsection 11.5(1) of the Criminal Code; and conspiracy to possess a prohibited import, namely amphetamine type substances and/or cocaine, contrary to subsection 233B(1)(c) of the Customs Act and subsection 11.5(1) of the Criminal Code.

Variation of certificate

Nil

Review

Nil

Termination or surrender

The certificate was surrendered on 23 June 2004.

Conduct of the controlled operation

The controlled operation was not carried out. The opportunity did not arise to undertake the planned covert activity required to be undertaken under the certificate.

Target/s of the controlled operation

Not applicable

Participants

Not applicable

Nature of activities

Not applicable

Illicit goods

Not applicable

Narcotic goods

Not applicable

Additional information

Nil

Controlled operation number**ACC 2003—04/19****Illicit goods**

Not applicable

Date of application

7 June 2004

Narcotic goods

Not applicable

Authorising officer

Robert McDonald, A/g Director, National Operations

Additional information

Nil

Nature of application

Application pursuant to 15K of the Act

Decision of authorising officer

To authorise a controlled operation to be undertaken

Period for which the certificate is in force

07 June 2004 until 06 September 2004

Grounds for issue of the certificate

In making the decision to issue the certificate, the authorising officer took into account, to a significant extent, the very serious nature of the criminal activities of the persons targeted by the operation and their associates, and that it involved serious Commonwealth offences namely money laundering within the meaning of sections 400.3, 400.4, 400.5, 400.6(1), 400.6(2), or 400.7(1) of the Criminal Code or an associated offence.

Variation of certificate

Nil

Review

Nil

Termination or surrender

Nil

Conduct of the controlled operation

The controlled operation certificate remains current (accordingly detailed reporting on conduct is not yet required).

Target/s of the controlled operation

Not applicable

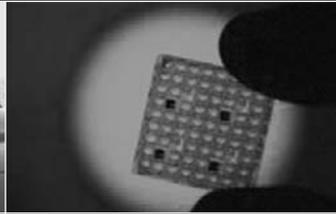
Participants

Not applicable

Nature of activities

Not applicable

SCHEDULE 3



Australian Federal Police 2000-01, 2001-02 and 2003-04 annual reports

Exclusion of information Section 15T(4)

Pursuant to Section 15T(4) of the Act, information was excluded from the 2000-01, 2001-02 and 2003-04 annual reports. In accordance with the Section, previously excluded information in relation to operations authorised by the following certificates is now published and the previously excluded information included in this report:

The previously excluded information in relation to the operations authorised by the following certificates is not published in this report as the likelihood that the inclusion of the information may prejudice investigations continues to exist: AFP 2001-02/03; 2001-02/22; 2001-02/28; 2001-02/29; 2001-02/31; 2001-02/32; 2001-02/34; 2001-02/35; 2001-02/36; 2001-02/40; 2001-02/43; 2001-02/44; 2001-02/45; 2002-03/07; 2002-03/08; 2002-03/09; 2002-03/17; 2002-03/21; 2002-03/23; 2002-03/24; 2002-03/25; 2002-03/28; 2002-03/29; 2002-03/32.

Due to either no arrests or the controlled operation not taking place, the following matters remain unchanged from previous reporting: 2001-02/22, 2001-02/35, 2001-02/36, 2001-02/40, 2001-02/44, 2002-03/07, 2002-03/08, 2002-03/09, 2002-03/10, 2002-03/17, 2002-03/21, 2002-03/23, 2002-03/25, 2002-03/28, 2002-03/29, and 2002-03/32.

Controlled operation number 2002—03/04

Previous applications

Nil

Date of application

4 July 2002

Authorising officer

Deputy Commissioner John Davies

Nature of the application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6.20 pm, 4 July 2002 Mr Davies, AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 4 January 2003.

Grounds for issue of certificate

- The person/s targeted by the controlled operation were likely to commit an offence of import a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place.
- This is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment, or a fine not exceeding \$750,000, or both.
- The offence the subject of the controlled operation involved targeting the importation of commercial quantities of MDMA or commonly referred to as ecstasy, a prohibited import under Schedule VI of the Customs Act. The quantities of MDMA being imported were unknown. It is anticipated that the controlled operation would involve the purchase of a range of prohibited imports including heroin, cocaine and hydroxy butyric acid (commonly known as fantasy), GHB, GBH, and Liquid E.
- Conducting a controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation.

- Conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s.
- Based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Review

On 26 September 2002 AAT member Mr Bernard Joseph McCabe conducted a review and determined the certificate should remain valid until 4 January 2003.

Termination or surrender of the certificate

Not applicable

Conduct of the controlled operation

Undercover operatives were used in nightclubs to infiltrate drug networks and identify the illicit drug traffickers and significant suppliers of MDMA. Undercover operatives purchased seven MDMA tablets on three occasions from three separate entities. Two of these individuals were involved in the distributing of ecstasy on a large scale and suspected of being closely associated to the importer.

Targets of the controlled operation

This information is excluded under the provisions of section 15T(4).

Law enforcement officers

Federal Agent 4604
AFP Undercover Operative 5985

Nature of activities

Purchase of MDMA tablets

Illicit goods

Type

MDMA

Weight/quantity

1.65 grams (net)

Current location

The 1.65 grams were forwarded to the AGAL for analysis.

Route through which the illicit goods travelled

Not known

Persons who had possession of the illicit goods

Members of the AFP

Additional information

The individuals subject to this matter were before the court.

Controlled operation number

2002—03/05

Previous applications

Nil

Date of application

15 July 2002

Authorising officer

Deputy Commissioner John Davies

Nature of the application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 10:50 am, 15 July 2002 Mr Davies, AFP Deputy Commissioner issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 15 January 2003.

Grounds for issue of certificate

- ② The person/s targeted by the major controlled operation had committed or were likely to commit an offence of import a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place.
- ② This is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$500,000, or imprisonment for 25 years, or both, for a trafficable quantity, and a fine not exceeding \$750,000, or imprisonment for life, or both, for a commercial quantity.
- ② The offence subject of the major controlled operation involved what was believed to be an impending importation of commercial quantity of MDMA within a container to be shipped from Germany or Belgium into Melbourne, Australia.

- ② Conducting a major controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s subject of the major controlled operation.
- ② Conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those person/s.
- ② Based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Review

On 9 October 2002, AAT member Mr Graham Friedman conducted a review and determined that the certificate should remain valid until 15 January 2003.

Termination or surrender of the certificate

At 12:30 pm, 16 December 2002 Mr Davies, AFP Deputy Commissioner, an authorising officer terminated certificate 2002—03/05.

Conduct of the controlled operation

As at the termination of this certificate, an importation of narcotics into Australia did not occur.

Targets of the controlled operation

This information is excluded under the provisions of section 15T(3).

Law enforcement officers

Nil

Nature of activities

Not applicable

Illicit goods

Nil

Additional information

Due to lack of information available from the human source in relation to this alleged importation, the decision was made to terminate this investigation.

Inquiries with international law enforcement agencies failed to identify further avenues of investigation to allow this operation to continue.

Controlled operation number 2002—03/06

Previous applications

Nil

Date of application

23 July 2002

Authorising officer

Graham Leonard Ashton

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 5:40 pm, 23 July 2002 Graham Leonard Ashton, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 23 August 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation had committed an offence of import a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$500,000, or imprisonment for 25 years, or both, in the case of a trafficable quantity, and a fine not exceeding \$750,000, or imprisonment for life, or both, in the case of a commercial quantity;
- the offence the subject of the controlled operation involved was the importation of a commercial quantity of approximately 54 kg (net weight) of MDMA within a shipping

container shipped from Rotterdam, the Netherlands, to Melbourne;

- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

At 7:20 pm, 10 August 2003, Federal Agent Graham Leonard Ashton, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, varied the certificate to:

- (a) allow a person to enter into negotiations to facilitate the delivery of the consignment to Bill Stojcevski and/or other possible unidentified members of the syndicate involved in the importation; and
- (b) allow a person to be involved with Bill Stojcevski, and/or other possible unidentified members of the syndicate, in a conspiracy to import into Australia, a commercial quantity of MDMA also known as ecstasy, into Australia contrary to section 233B(1)(b) of the Customs Act.

Review

Not applicable

Termination or surrender

This certificate was terminated by Federal Agent Graham Leonard Ashton, an authorising officer on 19 August 2003.

Conduct of the controlled operation

On 21 July 2003 ACS officers and AFP members examined a container originating from Rotterdam, the Netherlands. The examination of this container found it contained a number of separate consignments. One consignment consisted of a large cardboard box containing 54 kg of MDMA.

The package was reconstructed with an inert substance and a 20 gram representative sample.

On 2 August 2003, the reconstructed package was delivered by an AFP member to the consignee address. The package was received by an employee of Link National Transport.

On 19 August 2003, an Advanced Transport truck collected the package from Link National Transport and took it to Specialised Freight Services. Later that evening Stojcevski and another man accessed the MDMA and placed it into the boot of a motor vehicle. Shortly after, AFP members intercepted the vehicle. Stojcevski was arrested in possession of the package and charged. The package was recovered.

Target/s of the controlled operation

Blagojce Stojcevski born 23 August 1965

Civilian participants

Agents of the Australian Groupage Services of Tullamarine Victoria
Employee of Link National Transport
Agents of Secon Carriers Pty Ltd of Altona

Law Enforcement Officers

Federal Agent 10181
Federal Agent 10051

Nature of activities

The delivery of a package containing an inert substance and a representative sample of approximately 20 grams of MDMA to the consignee address

Illicit goods

Type

MDMA

Weight/quantity

54,000 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Rotterdam, the Netherlands, to Melbourne in a sea container ship

Persons who had possession of the illicit goods

Members of the AFP
Members of the ACS
Blagojce Stojcevski

Additional information

On 8 July 2004, Mr Stojcevski was sentenced to eight years imprisonment, with a non-parole period of five years.

Controlled operation number 2002—03/10

Previous applications

Nil

Date of application

21 August 2002

Authorising officer

Federal Agent Graham Ashton

Nature of the application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 11.55 am, 21 August 2002 Federal Agent Ashton, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 4 September 2002.

Grounds for issue of certificate

- ➊ The person/s targeted by the controlled operation had committed an offence, contrary to section 11.2, subsection 1 of the *Criminal Code 1995* of aid and abet, counsel and procure the commission of an offence by another person against section 233B(1)(b) of the *Customs Act 1901* being import into Australia a prohibited import, namely heroin, whether or not the controlled operation took place.
- ➋ This is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$500,000, or imprisonment for 25 years, or both, in the case of a trafficable quantity.

- The offence the subject of the controlled operation involved importing approximately 350 grams of a substance suspected to be heroin concealed in the lining of a gift box containing one Benjarong vase from Bangkok, Thailand, to Melbourne.
- Conducting a controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation.
- Conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s.
- Based on previous experience it was likely that, if confronted the person/s would deny all knowledge.

Termination or surrender of the certificate

At 9 am, 3 September 2002 Federal Agent Ashton, an authorising officer, terminated the certificate.

Conduct of the controlled operation

On 19 August 2002 Royal Thai Customs, Bangkok, located a package suspected of containing a quantity of heroin, addressed to a person and residence in Melbourne. The package was subsequently forwarded to AFP Melbourne Office for further investigation. The package was deconstructed and approximately 198 grams of white powder located, concealed in the base of a display box containing a Benjarong type vase. A presumptive narcotics test of the powder indicated the presence of opiates. The package was reconstructed and the narcotics substituted with an inert substance and representative sample.

On 26 August 2002 the package was delivered to, and accepted by individual one. Individual one then drove with the package to a remote location and handed the package to Glenn Pfeiffer.

On 27 August 2002 Glenn Pfeiffer handed individual three the package. Individual three employed counter surveillance techniques and changed vehicles with the package. Contact with individual three was broken. All efforts to date have failed to locate individual three or the package.

Targets of the controlled operation

This information is excluded under the provision of section 15T(3).

Law enforcement officers

On 21 August 2002 the ACS Liaison Officer in Bangkok secured the package in an ACS audit bag and then into an international mailbag. The international mailbag was forwarded to Australia on flight TG993.

On 26 August 2002 Federal Agent 1278 delivered the package to the target address.

Nature of activities

The controlled operation provided for the importation into Australia of the narcotic goods and subsequent delivery of the package to the intended address.

Illicit goods

Type

Heroin

Weight/quantity

198.4 grams (net)

Current location

The representative sample of 20 grams has not been recovered.

A sample of the narcotic goods was sent to the AGAL for analysis.

The bulk of the narcotic goods is securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Bangkok to Australia using a Customs secure international mailbag aboard flight TG993. The mailbag was collected by a Customs officer and handed to an AFP member.

Persons who had possession of the illicit goods

Glen Pfeiffer

Members of the AFP

Members of the ACS

Individual three

Additional information

The loss of the representative sample was reported to the authorising officer and the AFP Professional Standards. A review of the events surrounding the circumstances has been undertaken.

On 29 January 2004 Mr Glen Pfeiffer pleaded guilty and was sentenced to a two-year \$2,000 non-conviction bond with \$3,000 to be paid into the court fund.

Controlled operation number 2002—03/11

Previous applications

Nil

Date of application

21 August 2002

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 11 am, 22 August 2002 John Davies, AFP Deputy Commissioner issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 22 October 2002.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person targeted by the controlled operation was likely to commit an offence of making, selling, supplying, distributing, exhibiting or importing a broadcast decoding device against section 135AS of the *Copyright Act 1968*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of 550 penalty units and/or imprisonment for not more than five years. The offence meets the description of serious Commonwealth offences under the provisions of section 15HB of the *Crimes Act 1914* in that it involves fraud, forgery and misuse of computer or electronic communications, and is punishable on conviction by imprisonment of three years or more;
- the offence the subject of the controlled operation involved the purchase of pirate broadcast decoding devices (broadcast decoding cards) and the sale of broadcast decoding devices (set top boxes);

- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person(s); and
- based on previous experience it was likely that, if confronted, the person(s) would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

At 6 pm, 21 October 2002 certificate 2002—03/11 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(3) and 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3) and 15T(4)(b).

Civilian participants

This information is excluded under the provisions of section 15T(3) and 15T(4)(b).

Law Enforcement Officers

AFP UCO

Nature of activities

This information is excluded under the provisions of section 15T(3) and 15T(4)(b).

Illicit goods

Nil

Additional information

This information is excluded under the provisions of section 15T(3) and 15T(4)(b).

Controlled operation number 2002—03/13

Previous applications

Nil

Date of application

30 August 2002

Authorising officer

Stephen Jackson

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 9.10 am, 30 August 2002 Stephen Jackson, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 8 September 2002.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the persons targeted by the controlled operation had committed or were likely to commit an offence against section 233B(1)(c) of the *Customs Act 1901*, in that a person would possess a prohibited import, namely narcotic goods consisting of a quantity of heroin, being not less than the trafficable quantity applicable to heroin, which had been imported into Australia in contravention of the Customs Act, whether or not the controlled operation took place;
- ② the persons targeted by the controlled operation had committed or were likely to commit an offence against section 233B(1)(c) of the Customs Act, in that a person would attempt to have in their possession prohibited imports to which section 233B of the Customs Act applies, namely, narcotic goods consisting of a quantity of heroin, which had been imported into Australia in contravention of the Customs Act, being not less than the trafficable quantity applicable, to

heroin, contrary to subsection 11.1(1) of the *Criminal Code 1995*;

- ③ the offence against section 233B(1)(c) of the Customs Act are serious Commonwealth offences and attract a maximum penalty of 25 years imprisonment;
- ④ the offences the subject of the controlled operation involved the importing approximately 346.8 grams of heroin, in a mail article sent from Cambodia, concealed inside two statues, destined for an address in Western Australia;
- ⑤ conducting a controlled operation would provide police with an opportunity to identify the person(s) in Australia and/or overseas involved in the commission of the offences(s) subject of the controlled operation;
- ⑥ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person(s); and
- ⑦ based on previous experience it was likely that, if confronted, the person(s) would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

At 5 pm, 11 September 2002 Stephen Jackson, an authorising officer terminated the certificate 2002—03/13.

Conduct of the controlled operation

On 28 August 2002 ACS officers in Sydney examined a registered mail package sent from Cambodia, destined for an address in Perth. Upon examination, they found two statues concealing 346.8 grams of heroin.

On 3 September 2002 a controlled delivery of the package was conducted and individual one accepted the package. Individual one was seen travelling to the Astra Lodge Motel in possession of the package. At the motel individual one entered Room 17, occupied by Treang Keat. Shortly after a vehicle driven by individual one was stopped and a Section 3E *Crimes Act 1914* search warrant executed. Mr Keat was in the vehicle and in possession of the two statues.

Both individual one and Mr Keat were arrested and charged.

Further information is excluded under the provisions of section 15T(3).

Target/s of the controlled operation

Treang Keat born 6 April 1956

Further information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 2338

Nature of activities

The controlled operation involved the delivery of a package containing two-20 grams samples of heroin, inside each of the two statues, together with narcotic-related goods and inert material.

Illicit goods

Type

Heroin

Weight/quantity

346.8 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled during the controlled operation

Not applicable

Persons who had possession of the illicit goods

Australian Custom Service Officers

Members of the AFP

Individual One

Treang Keat

Additional information

On 29 October 2003, Mr Treang Keat was sentenced to 11 years imprisonment, with a non-parole period of five years.

Individual one was not charged in relation to this matter.

Controlled operation number 2002—03/14

Previous applications

Nil

Date of application

5 September 2002

Authorising officer

Stephen Jackson

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 11.41 am, 5 September 2002 Stephen Jackson, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 19 September 2002.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ➊ the person targeted by the controlled operation had committed, and was likely to commit the offences of importing a prohibited import and possessing a prohibited import against section 233B(1)(b) and 233B(1)(c) of the *Customs Act 1901* respectively, whether or not the controlled operation took place;
- ➋ the offences of importing and possessing prohibited imports against sections 233B(1)(b) and 233B(1)(c) of the *Customs Act* are serious Commonwealth offences and attract a maximum penalty of 25 years imprisonment for a trafficable quantity of narcotics;
- ➌ the offences the subject of the controlled operation involved the importation of 243.1 grams of MDMA and approximately 750 grams of cannabis resin in a DHL Worldwide Express satchel from India to Perth, Western Australia. The satchel was addressed to Mark Harris at 14 Pavonia Heights, South Lake, Western Australia;

- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offences subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or Surrender

At 2.30 pm, Friday, 6 September 2002 Stephen Jackson, an authorising officer terminated the certificate 2002-03/14.

Conduct of the controlled operation

At 10.30 pm, Wednesday, 4 September 2002 information was received from ACS in Perth that a parcel alert relating to Mark Harris, 14 Pavonia Heights, South Lake, Perth had been activated with the pending arrival in Perth of a DHL Worldwide Express package.

AFP attended at the Qantas Cargo, Perth Airport; the suspect package was identified and seized. It contained four hardback books, one paperback book and a cloth wrapping. The AFP examined the books and discovered the inside covers had been hollowed out. Three contained cannabis resin and one MDMA powder. Total weights were 241.3 grams (MDMA) and 707.1 grams (cannabis resin).

On 5 September 2002 a controlled delivery of the package was conducted and Mr Harris accepted receipt of the package. Shortly after, a Section 3E search warrant was executed.

During the search AFP members discovered the package that had been opened. Mr Harris was arrested and charged.

Target/s of the controlled operation

Mark Andrew Harris born 23 May 1963

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 4584

Nature of activities

The controlled operation involved the delivery of the package containing 20.5 grams of cannabis resin and five grams of MDMA, together with narcotic related goods and inert material.

Illicit goods

Type

Cannabis resin
MDMA

Weight/quantity

Cannabis resin 707.1 grams (net)
MDMA 241.3 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Perth Office, Drugs and Property Registry.

Route through which the illicit goods travelled during the controlled operation

Not applicable

Persons who had possession of the illicit goods

Members of the AFP
Mark Harris

Additional information

On 14 November 2003 Mr Harris was sentenced to seven years and three months imprisonment with a non-parole period of three years and eight months.

Controlled operation number

2002—03/15

Previous applications

Nil

Date of application

11 September 2002

Authorising officer

John Adrian Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6.55 pm, 11 September 2002 John Adrian Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 2 October 2002.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons target by the controlled operation had committed the offence of import a prohibited import an offence against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of 25 years imprisonment;
- ③ conducting a controlled operation would provide police with an opportunity to identify those person(s) in Australia and/or overseas who were involved in the commission of the offence(s) subject of the controlled operation;
- ④ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person(s); and
- ⑤ based on previous experience it was likely that, if confronted, the person(s) would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

Not applicable

Conduct of the controlled operation

On 7 September 2002 a DHL consignment consisting of a cardboard package bearing Harrods markings arrived in Sydney on Qantas Airlines flight QF2. A consignment note was attached providing shipping details. The receiver was S. Hunt of an address in Surry Hills, Sydney.

ACS officers examined the consignment and found MDMA. The consignment was seized and examined by members of the AFP. The examination showed the consignment contained the board game Who Wants to be a Millionaire. In the board game were three clear plastic bags wrapped with brown plastic masking tape. They contained 1,531 grams of MDMA.

Between 12 and 17 September 2002 AFP members attempted a controlled delivery on two occasions and on both occasions Alexander James Andrews advised that Stephen Hunt was not at home.

On 18 September 2002 a controlled delivery of the package was conducted and Alexander James Andrews accepted receipt of the package. Mr Andrews then logged on to a computer at the Gossip Internet Caf . The computer was seized by police. Shortly after police executed a search warrant and located the package in an unopened state. Mr Andrews was subsequently arrested and charged.

Target/s of the controlled operation

Alexander James Andrews born 28 December 1976

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 10677

Nature of activities

The controlled operation involved the delivery of the package containing 20 grams of MDMA to the intended recipient.

Illicit goods

Type

MDMA

Weight/quantity

1531.3 grams (net)

Current location

A sample of the narcotic goods was sent to the Australian Government Analytical Laboratories for analysis. The bulk of the narcotic goods have been destroyed.

Route through which the illicit goods travelled during the controlled operation

London, England, to Sydney by air cargo on Qantas Airlines flight QF2

Persons who had possession of the illicit goods

Members of the AFP
Alexander James Andrews

Additional information

On 19 September 2003 Mr Andrews pleaded guilty and was sentenced to five years imprisonment with a non-parole period of two years and nine months.

Controlled operation number 2002—03/16

Previous applications

Nil

Date of application

12 September 2002

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15M of the Act.

Decision of authorising officer

At 6 pm, 12 September 2002 John Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 12 October 2002.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person or persons targeted by the controlled operation had committed or were likely to commit the offences of import prohibited import against section 233B(1)(b) of the *Customs Act 1901* and possession of a prohibited import against section 233B(1)(c) of the *Customs Act*, whether or not the controlled operation took place;
- ② these are serious Commonwealth offences and attract a maximum penalty of life imprisonment;
- ③ the subject of the controlled operation involved intercepting two DHL packages by the Dutch Customs Service on 9 and 10 September 2002 to Sydney containing MDMA tablets;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence(s) subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person(s); and
- ⑥ based on previous experience it is likely that, if confronted, the person(s) would deny all knowledge

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

At 4 pm, 8 October 2002 John Lawler, the authorising officer, terminated the Controlled Operation Certificate number 2002-03/16.

Conduct of the controlled operation

On 12 September 2002 Dutch Police advised the AFP that Dutch Customs had intercepted two DHL packages on 9 and 10 September 2002. They were addressed to two separate addresses in Sydney.

Dutch Police reported they had deconstructed the packages and found two oil paintings on canvas, with each painting stapled to a plywood backing. Secreted within the plywood backing was an

amount of yellow coloured tablets imprinted with the number 7 logo. Dutch Police analysed the tablets and found MDMA.

The packages (one and two) arrived in Australia on 14 September 2002 and the AFP members took possession of them. Both packages were deconstructed and package one contained approximately 11.036 kg of MDMA tablets. This package was reconstructed with approximately 20 grams of MDMA. The second package that had been deconstructed by the Dutch Police was deemed unsuitable by the AFP for a controlled operation.

On 17 September 2002 a controlled delivery of package one was conducted and Mr Theodorus Bastiaan Kevenaer accepted receipt of the package. Shortly after a Section 3E *Crimes Act 1914* search warrant was executed. Mr Kevenaer, Mr Marinus Cornel DeDoes and Mr Jin Rong Pan were arrested.

Target/s of the controlled operation

Mr Theodorus Bastiann Kevannar born 16 December 1978
Mr Marinus Cornel DeDoes born 5 November 1979
Mr Jin Rong Pan born 20 August 1979

Civilian participants

This information is excluded under the provision of section 15T(4)(a).

Law Enforcement Officers

Members of the Dutch Police Service

Federal Agent 10741

Nature of activities

The delivery of a package to the consignee

Illicit goods

Type

MDMA

Weight/quantity

11036.7 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled during the controlled operation

Amsterdam to Sydney via Kuala Lumpur on board a Malaysian Airlines Flight

Persons who had possession of the illicit goods

Members of the AFP
ACS officers
Members of the Dutch Police Service
Mr Kevenaer
Mr Pan
Mr De Does

Additional information

On 28 June 2004 Theodorus Bastiaan Kevenaer's appeal was upheld and he was sentenced to seven years imprisonment with a non-parole period of four-and-a-half years to date from 17 September 2002.

On 28 June 2004 Marinus Cornelius's appeal was upheld and he was sentenced to seven years and nine months imprisonment with a non-parole period of five years to date from 17 September 2002.

On 28 June 2004 Jin Rong Pan's appeal was upheld and he was sentenced to 11 years imprisonment with a non-parole period of seven years to date from 17 September 2002.

Controlled operation number 2002—03/18

Previous applications

Nil

Date of application

1 October 2002

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 4.20 pm, 1 October 2002 John Davies, AFP Deputy Commissioner issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 31 March 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that the person targeted by the controlled operation is likely to commit the offences of:

- import prohibited imports, being narcotic goods not less than the commercial quantity applicable to MDMA, contrary to section 233(1)(b) of the *Customs Act 1901*, punishable by a maximum penalty of life imprisonment;
- aid, abet, counsel or procure the importation of prohibited imports, being narcotic goods not less than the commercial quantity applicable to MDMA, contrary to subsection 11.2(1) of the *Criminal Code 1995*, and section 233B(1)(b) of the *Customs Act*, punishable by a maximum penalty of life imprisonment;
- conspiracy to import prohibited imports, being narcotic goods not less than the commercial quantity applicable to MDMA, contrary to subsection 11.5(1) of the *Criminal Code* and section 233B(1)(b) of the *Customs Act*, punishable by a maximum penalty of life imprisonment;
- attempt to possess prohibited imports, being narcotic goods not less than the commercial quantity applicable to MDMA, having been imported into Australia in contravention of the *Customs Act* contrary to subsection 11.1.(1) of the *Criminal Code* and section 233B(1)(c) of the *Customs Act*, punishable by a maximum penalty of life imprisonment;
- possess prohibited imports, being narcotic goods, not less than the commercial quantity applicable to MDMA, contrary to section 233B(1)(a) of the *Customs Act*, punishable by a maximum penalty of life imprisonment;
- money laundering, contrary to section 81(2) of the *Proceeds of Crime Act 1987*, punishable by a maximum penalty of 20 years imprisonment; and possess, conceal, dispose of, or bring into Australia any money, or other property, that may reasonably be suspected of being proceeds of crime, contrary to section 82(1) of the *Proceeds of Crime Act*, punishable by a maximum penalty of two years imprisonment;
- the offences the subject of the controlled operation involved were the importation and possession of a commercial quantity of MDMA;

- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons;
- based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

The certificate was terminated at 9:30 am, 6 December 2002.

Conduct of the controlled operation

Controlled operation was not undertaken.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

Nil

Illicit goods

Nil

Additional information

The individual subject to this matter was before the court.

Controlled operation number

2002—03/31

Previous applications

Nil

Date of application

30 December 2002

Authorising officer

Michael Keilty

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 4.07 pm, 2 January 2003 Michael Keelty, Commissioner of the AFP issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 2 April 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ② the person/s targeted by the major controlled operation were likely to commit an offence of import a prohibited import of narcotics, namely cocaine contrary to section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$500,000, or imprisonment for 25 years, or both, for a trafficable quantity, and a fine not exceeding \$750,000, or imprisonment for life, or both, for a commercial quantity;
- ② the offence which was the subject of the major controlled operation involved what was believed to be an impending importation of a trafficable quantity of cocaine, contained in a package being sent from South America. It was believed the package carrying the cocaine would be imported into Melbourne;
- ② conducting a major controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s subject of the major controlled operation;
- ② conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ② based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Not applicable

Conduct of the controlled operation

The suspect failed to organise the importation of the narcotics. No controlled operation was therefore conducted during the period of the certificate.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

Not applicable

Illicit goods

Nil

Additional information

The individual subject to this controlled operation was not arrested. Investigations continued overseas.

Controlled operation number

2002—03/33

Previous applications

Nil

Date of application

24 January 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6:20 pm, 24 January 2003 John Davies, Deputy Commissioner of the AFP issued a certificate authorising a major controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 23 July 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation were likely to commit an offence of import a prohibited import contrary section 233B of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment, or a fine not exceeding \$750,000, or both;
- the offence of conspiring with another person with the intention of dishonestly obtaining a gain from a third person and the third person is a Commonwealth entity against section 135.4 of the Commonwealth Criminal Code is a serious Commonwealth offence and attracts a maximum penalty of 10 years imprisonment;
- the offence/s the subject of the controlled operation involved targeting the acquisition of false passports using forged documents and importing a commercial quantity of cocaine, a prohibited import under Schedule VI of the Customs Act;
- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and overseas involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of that person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Not applicable

Review

On 15 April 2003, AAT member Bernard Joseph McCabe conducted a review and determined the certificate should remain in force until it expired on 23 July 2003.

Termination or surrender

Not applicable (the certificate expired on 23 July 2003)

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(3) and 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3) and 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 5285

Federal Agent 4604

Nature of activities

Thirty-five meetings between AFP members and an informant

Illicit goods

Nil

Additional information

The individuals subject to this matter was before the court.

Controlled operation number

2002—03/34

Previous applications

Nil

Date of application

10 January 2003

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 2.10 pm, 10 January 2003 John Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 8 February 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed or were likely to commit the offences of import prohibited import against section 233B(1)(b) of the *Customs Act 1901*, and possession of a prohibited import against section 233B(1)(c) of the Customs Act, whether or not the controlled operation takes place;
- ② these are serious Commonwealth offences and attract a maximum penalty of life imprisonment;
- ③ the offences which are the subject of the controlled operation involved the importation into Australia of an unspecified quantity of cocaine;
- ④ conducting a controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Not applicable

Conduct of the controlled operation

On 3 February 2003, Keith Graham Chee arrived at Sydney Kingsford Smith Airport aboard Qantas flight QF322 from Santiago, Chile. ACS officers and members of the AFP covertly examined Chee's two suitcases. This examination indicated the presence of cocaine and revealed that both the suitcases had false bottoms containing organic matter.

Due to the complex nature of the concealment and time constraints no deconstruction or substitution took place.

Early that evening the suitcases were collected from Mr Chee by Wilfredo Roland Vasquez Felipe, Daniel Pierre Berthiaume and Jorge Eugenio Baldwin Arroyo. They were taken to Vasquez Felipe's residence.

Later that evening Vasquez Felipe, Berthiaume and Baldwin Arroyo began removing the cocaine impregnated plastic from both suitcases. Shortly after they were arrested and AFP members seized 3071 grams of cocaine.

Neil Matthew Danson and Mr Chee were arrested. Search warrants were executed and 800 MDMA tablets and 350 grams of cocaine were seized.

Target/s of the controlled operation

Wilfredo Roland Vasquez Felipe born 11 December 1969

Daniel Pierre Berthiaume born 6 December 1959

Keith Graham Chee born 15 February 1970

Jorge Eugenio Baldwin Arroyo born 1 July 1947

Neil Matthew Danson born 12 February 1975

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

Permit to allow Mr Chee to enter Australia without being subjected to overt detailed scrutiny by members of the ACS

The covert examination of his luggage to determine the nature of the concealment and the quantity of cocaine

A controlled delivery of Mr Chee's suitcases

Illicit goods

Type

Cocaine
MDMA

Weight/quantity

Cocaine 11,055 grams (net)
MDMA 800 tablets

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Sydney Office, Drug and Property Registry.

Route through which the illicit goods travelled

Sao Paulo, Brazil, to Buenos Aires, Argentina, to Santiago, Chile, to Auckland, New Zealand, to Sydney on Qantas/LAN Chile flight QF322

Persons who had possession of the illicit goods

Members of the AFP
Members of the ACS
Keith Graham Chee
Wilfredo Roland Vasquez Felipe
Daniel Pierre Berthiaume
Jorge Eugenio Baldwin Arroyo

Additional information

Mr Berthiaume was sentenced to 13 years imprisonment with a non-parole period of eight years imprisonment.

Mr Vasquez Felipe was sentenced to 12 years and six months imprisonment with a non-parole period of eight years and three months imprisonment.

Mr Danson was sentenced to a minimum term of four years imprisonment for the State offences. He was also sentenced to 12 years imprisonment with a non-parole period of seven years and three months imprisonment for the Commonwealth offence.

Mr Chee was sentenced to ten years imprisonment with a non-parole period of six years imprisonment.

Mr Baldwin Arroyo was sentenced to ten years imprisonment with a non-parole period of six years imprisonment.

Controlled operation number 2002—03/35

Previous applications

Nil

Date of application

17 January 2002

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6:55 pm, 17 January 2003 John Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 6 February 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed or were likely to commit an offence, contrary to section 11.2, subsection 1 of the *Criminal Code 1995* of aid and abet, counsel and procure the commission of an offence by another person against section 233B(1)(b) of the *Customs Act 1901* being import into Australia a prohibited import, namely heroin, whether or not the controlled operation took place;
- ② the offences of import prohibited import and possession of a prohibited import, against sections 233B(1)(b) and 233B(1)(c) respectively, of the Customs Act, are serious Commonwealth offences punishable by a maximum of 25 years imprisonment or a fine not exceeding \$500,000;

- ② the offences subject of the controlled operation involved the importation and possession of a trafficable quantity of heroin. One EMS package containing a Benjarong vase, believed to contain approximately 300 grams of white powder, and a second EMS package containing a ceramic doll believed to contain approximately 300 grams of white powder. The packages originated in Bangkok, Thailand, and were intended for Sydney;
- ② conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ② conducting a controlled operation would enable police to gather direct evidence of the involvement of those person/s; and
- ② based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

At 5:10 pm, 28 January 2003 John Lawler, an authorising officer terminated certificate 2002-03/35.

Conduct of the controlled operation

On 15 January 2003 the Royal Thai Customs Drug Suppression Sub Division at Don Muang Mail Exchange, Bangkok, Thailand, intercepted two EMS international courier packages. Both were believed to conceal approximately 60 grams of heroin.

On 17 January 2003 ACS officer in Bangkok took possession of the two packages and secured them in a secure mail bag. The mail bag was placed on a Singapore Airlines flight which arrived in Sydney on 18 January 2003.

The mail bag containing the two packages was retrieved by members of the ACS in Sydney.

On 19 January 2003 members of the ACS placed the packages in the Australia Post system at the Qantas Mail Handling Unit at Mascot. Members of the AFP seized the two packages.

The first package was examined by the AFP Physical Evidence Team and found to contain a pair of chop sticks, notepads, wooden ornamental items, and one blue felt box. Underneath the silk lining of the felt box was a small brown package containing 199.8 grams of cocaine. The package was reconstructed with an inert substance and a 20 gram representative sample.

The second package was examined by members of the AFP Physical Evidence Team and found to contain pairs of chop sticks, assorted items and a red felt box. Underneath the silk lining of the felt box was a small brown package containing 229.1 grams of heroin. The package was reconstructed with an inert substance and a 20 gram representative sample.

On 20 January 2003 the first reconstructed package was delivered to an address in Ashfield. The occupant of the premises refused to accept the package and advised they did not know the addressee of the package. The package was then lodged at the AFP Drug Registry, Sydney Office.

On 22 January 2003 the second reconstructed package was delivered to an address in Ashfield. The package was accepted by the mother of the occupier of the premises. Shortly after a warrant was executed on the premises and the package was located near the front door unopened. It was seized and was later lodged at the AFP Drug Registry, Sydney Office.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Australian Customs Service Officers

Federal Agent 11632

Nature of activities

The importation of two packages from Bangkok, Thailand, to Sydney

Delivery of the packages containing an inert substance and the representative sample to the consignee address

Illicit goods*Type*

Cocaine
Heroin

Weight/quantity

Cocaine 199.8 grams (net)
Heroin 229.1 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled during the controlled operation

Intercepted by Customs in Bangkok, Thailand. Placed in a secure mail bag on Singapore Airlines. Arrived in Sydney and collect by members of the ACS. Handed to AFP members, who lodged the package at the Drugs and Property Office, AFP Sydney Office. The controlled delivery sample was conveyed from AFP Sydney Office to the intended recipient addresses in Ashfield, NSW.

Persons who had possession of the illicit goods

Members of the AFP
Members of the ACS

Additional information

The first package was consigned to an individual not known to any of the residents at that premise. In relation to the second package, the mother of the occupier of the premises advised police she had only accepted the package because she had seen the number of her house on the package.

Controlled operation number**2002—03/36****Previous applications**

Nil

Date of application

17 January 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 10:55 am, 20 January 2003 John Davies, Deputy Commissioner of the AFP issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 19 July 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed or were likely to commit an offence of money laundering against section 81(3) of the *Proceeds of Crime Act 1987*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$200,000, or imprisonment for a period not exceeding 20 years, or both if the offender is a natural person, or a fine not exceeding \$600,000 if the offender is a body corporate;
- ③ the offence/s the subject of the controlled operation, involved law enforcement officers (Undercover Operatives) being involved in financial companies to obtain evidence of criminality by individual(s) or group(s) undertaking money laundering activities. Types of money laundering activities likely to occur include:
 - creation of financial accounts in false names;
 - structuring transactions to avoid reporting;
 - holding large sums of money that would come into Australia from overseas; and
 - dealing in funds reasonably suspected of being proceeds of crime.
- ④ the sums of money were likely to range from \$100,000 to US\$35 million in Australian and/or foreign currency. The money was believed to be proceeds of crime and/or to generate money to be applied to criminal purposes;
- ⑤ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were

involved in the commission of the offence/s subject of the controlled operation;

- ② conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ③ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Not applicable

Review

On 4 April 2003 a review was conducted by AAT member Bernard Joseph McCabe who determined that the certificate should remain in force until it expired on 19 July 2003.

Termination or surrender

Not applicable. The controlled operation expired on 19 July 2003.

Conduct of the controlled operation

The major controlled operation commenced to investigate the activities of persons in Australia and/or overseas who are involved in the commission of money laundering offences. An AFP registered confidential source (CS97578) provided information about persons and companies allegedly involved in money laundering, including fraudulent investments and loan scams. These persons approached CS97578 to help set up false accounts and loans.

Due to commitments and priorities of the UCO an introduction to CS97578 by telephone did not occur until March 2003. By this time however, the confidential source was unemployed and seeking other employment including self-employment in the finance industry. CS97578 stated the unemployment had not affected approaches made to CS97578 relating to the false accounts and loan scams. Several telephone calls were made between the undercover operative and CS97578 to gain each other's confidence and establish suitable cover stories. A level of trust was gained and referrals were expected to begin by the end of April 2003.

CS97578 was debriefed regularly to maintain the source's motivation and keep the CS97578 familiar with AFP expectations. However, during May 2003, there were apparent contradictions between the details relayed to the UCO and those relayed to the source handler. CS97578 was given the opportunity

to sever ties with the AFP if that was the intention of the source. CS97578 reiterated the fact that people did not trust CS97578 whilst CS97578 was unemployed.

On 10 June 2003 the AFP decided that it would no longer proceed with the deployment of the undercover operative because of the lack of motivation and contradictions of CS97578. The controlled operations certificate was not terminated due to the possibility that the use of the undercover operative would be reconsidered.

Target/s of the controlled operation

Person/s as yet unknown, who had been responsible for, or would be involved in, the illegal activity subject of the certificate

Civilian participants

AFP Registered Confidential Source 97578 provided relevant information to the AFP.

Law Enforcement Officers

AFP Undercover Operative 38841
AFP Undercover Operative 38831
Federal Agent 4604

Nature of activities

Several conversations (no activity) between UCO 38831 and CS97578

Illicit goods

Nil

Additional information

No charges were laid as a result of this controlled operation.

Controlled operation number

2002—03/38

Previous applications

Nil

Date of application

29 January 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 2.30 pm, 29 January 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 12 February 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ▶ the person/s targeted by the controlled operation had committed or were likely to commit an offence of import a prohibited import, namely cocaine, against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ▶ this is a serious Commonwealth offence and attracts a maximum penalty of 25 years imprisonment;
- ▶ the offences which were subject of the controlled operation involved intercepting an airfreight package by ACS officers on 27 January 2003;
- ▶ conducting a controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ▶ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ▶ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 4 pm, 3 February 2003 Controlled Operation Certificate 2002—03/38 was terminated.

Conduct of the controlled operation

On 27 January 2003 an EMS postal package containing a children's laptop computer was intercepted by members of the ACS at Qantas Mail Handling Unit. The package was sent from Brazil and addressed to Rod Taylor 37 Ritchie Crescent, West Dapto, NSW. A Customs office examined the package and identified inconsistencies.

On 28 January 2003 AFP members reconstructed the package, substituting the cocaine powder with an inert substance. A controlled delivery sample of 20 grams of cocaine was also included.

On 30 January 2003 the reconstructed package was delivered to the intended address. A man identified as John Dobson accepted the package and shortly after left with the package, placing it in the boot of a Holden Camira sedan with NSW registered VKN65O.

Dobson then met with George Haidar who removed the package from the car. Shortly after Dobson and Haidar were arrested.

Target/s of the controlled operation

John Dobson born 12 August 1959

George Haidar born 16 September 1974

Further information has been excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent number 11252

Nature of activities

The controlled delivery of a reconstructed package containing a controlled delivery sample to the intended address

Illicit goods

Type

Cocaine

Weight/quantity

498.4 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Sydney Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Package was sent from Brazil via Japan to Sydney, Australia on flight JL0771.

Persons who had possession of the illicit goods

Members of the AFP
John Dobson
George Haidar

Additional information

On the 1 September 2003 Mr George Haidar was sentenced to seven years imprisonment with a non-parole period of four years and six months.

On 4 September 2003 Mr John Dobson was found not guilty.

No further individuals were charged in relation to this matter.

Controlled operation number

2002—03/39

Previous applications

Nil

Date of application

4 February 2003

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15L of the Act.

Decision of authorising officer

At 8.10 pm 4 February 2003 John Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 4 March 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation had committed an offence of import prohibited import into Australia against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of 25 years imprisonment;
- the subject of the controlled operation involved an importation of a package of eight pairs of shoes, four pairs of which concealed an estimated total net weight of 400 grams of white powder, believed to be heroin, from Bangkok to Sydney via Singapore;
- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

At 9 am, 12 February 2003 Controlled Operation Certificate 2002—03/39 was terminated.

Conduct of the controlled operation

On 4 February 2003 the AFP was advised by Royal Thai Customs that they had detected approximately 400 grams of white powder located in a parcel destined for Sydney.

The parcel contained eight pairs of women's shoes of which eight shoes contained approximately 50 grams of white powder each. The parcel was

forwarded to the AFP and analysis of the white powder indicated it was heroin.

On 6 February 2003 the AFP Physical Evidence Team examined the parcel. The parcel was re-constructed with a controlled delivery sample of 20 grams of heroin. AFP officers delivered the parcel to the intended address.

About 3 pm on 6 February 2003 individual two attended the recipient's address and departed shortly after in a white Mazda Astina. Later that evening individual two was arrested by police.

During a search of individual two and her/his vehicle the parcel was not located.

During an interview with individual two she/he stated that she/he had taken possession of the parcel and had given parcel to a man in the vicinity of Goulburn and Dixon Streets. Individual two did not identify the man to the police.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent number 11090

Nature of activities

Importation of narcotics from Thailand.
The controlled delivery of the parcel to the intended address.

Illicit goods

Type

Heroin

Weight/quantity

350 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods has been destroyed.

20 grams controlled delivery sample has not been recovered.

Route through which the illicit goods travelled
Bangkok, Thailand to Singapore; Singapore Airlines
Singapore to Sydney; Singapore Airlines

Persons who had possession of the illicit goods

Members of the AFP
Members of the ACS
Individual one

Additional information

The controlled delivery sample of 20 grams was not recovered.

No charges were laid as a result of this matter.

Controlled operation number

2002—03/40

Previous applications

Nil

Date of application

10 February 2003

Authorising officer

Mark Ney

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 9.35 am, 10 February 2003 Mark Ney, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 11 April 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed an offence of import prohibited import into Australia against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;

- ② this is a serious Commonwealth offence and attracts a maximum penalty of \$500,000, or 25 years imprisonment, or both;
- ② the offence which was the subject of the controlled operation involved Michael Van Der Laan, born 14 March 1969, importing approximately 130 kg of MDMA into Australia from Belgium concealed inside three consignments of heavy metal equipment;
- ② on 6 February 2003, ACS officers intercepted three consignments destined for Camedia World Wide Limited, 532 Algester Road, Parkinson, Queensland. The contact person for the consignment was recorded as Michael Arie Van Der Laan at 532 Algester Road, Parkinson, Queensland;
- ② members of the ACS inspected the consignments and discovered they contained red trailer horses and black container bridges. Upon further examination Customs discovered that some supports for the horses and the container bridges contained tablets. A presumptive test by the AFP revealed a substance that tested positive to MDMA;
- ② MDMA is scheduled under item 15A of the Schedule to the *Customs (Narcotic Substances) Regulations*. Pursuant to Regulation 4 of the Customs (Narcotic Substances) Regulations it is therefore recognised as a narcotic substance; and
- ② conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offences subject of the controlled operation.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 2 pm, 11 February 2003 Controlled Operation Certificate 2002—03/40 was terminated.

Conduct of the controlled operation

On 10 February 2003 members of the AFP delivered the consignments of fabricated metal equipment to the intended recipient with the assistance of a

delivery driver. The narcotic contents of the consignment had fully substituted. The consignment was received by Michael Arie Van Der Laan at Unit 3/49 Meadow Avenue, Coopers Plains. Shortly after the AFP members executed a search warrant at the premises and found Van Der Laan and his associate Jesin Yaksan using metal cutting equipment to gain access to the concealed (inert) substance.

Michael Arie Van Der Laan and Jesin Yaksan were subsequently arrested and charged.

Target/s of the controlled operation

Michael Arie Van Der Laan born 14 March 1969

Jesin Fadel Yaksan born 28 March 1971

Civilian participants

Courier from Yellow Couriers

Law Enforcement Officers

Federal Agent 3453

Nature of activities

The narcotic goods were fully substituted and the consignment was delivered to the intended address by the civilian participant.

Illicit goods

Type

MDMA

Weight/quantity

135,367.9 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

From Rotterdam, Holland, via Singapore to Brisbane, on the Palliser, Pegasus and Shanghai

Persons who had possession of the illicit goods

Members of the AFP

Members of the ACS

Additional information

Mr Van Der Laan was sentenced to 14 years imprisonment with a non-parole period of six years.

Mr Yaksan was sentenced to ten years imprisonment with a non-parole period of four years.

A joint investigation was also conducted with the Dutch National Police in Rotterdam into the activities of those responsible for the importation. This investigation resulted in:

- the arrest and conviction of seven offenders associated with the international trafficking of narcotics;
- the seizure of a 400 plant hydroponic cannabis plantation;
- the seizure of two tonnes of cannabis resin in Rotterdam;
- the seizure of one tonne of cannabis resin in Morocco; and
- the confiscation and forfeiture of property valued at \$650,000.

Those arrested were all convicted and sentenced to varying terms of imprisonment ranging from six months to 21 years.

Controlled operation number

2002—03/41

Previous applications

Nil

Date of application

10 February 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 3.25 pm, 10 February 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 24 February 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation had committed an offence of import prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of 25 years imprisonment;
- the subject of the controlled operation involved an importation of a package containing a submersible water pump which contained a total estimated 1,100 grams of MDMA tablets from the Netherlands to Sydney;
- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

At 8.20 am, 13 February 2003 Tony Negus authorised a variation.

Review

Not applicable

Termination or surrender

Not applicable

Conduct of the controlled operation

On 6 February 2003 a package arrived in Sydney from the Netherlands containing a submersible water pump. Located in the water pump were approximately 1,100 grams of MDMA tablets in two clear plastic bags.

AFP Forensic members examined the package and substituted the MDMA with an inert substance and a

controlled delivery sample containing 20 grams of the original MDMA.

On 11 February 2003 the package was delivered to the intended address. Shortly after the AFP members executed a search warrant and located the package in an unopened state. The addressee of the package (individual one) advised that she/he was asked by a person to accept the package on her/his behalf.

She/he stated that the person had asked them to accept a package for them to use their name and address. Individual one agreed to help the AFP by delivering the package to the person.

On 13 February 2003 individual one left a message for the person to collect the package from the foyer. The package was not collected.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 11252

Nature of activities

The delivery of the package containing a controlled sample of MDMA

Illicit goods

Type

MDMA

Weight/quantity

1096.3 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods have been destroyed.

Route through which the illicit goods travelled

Package was sent from the Netherlands aboard Flight MH133.

Persons who had possession of the illicit goods

Members of the AFP
Members of the ACS

Additional information

No charges were laid as a result of this matter.

Controlled operation number 2002—03/42

Previous applications

Nil

Date of application

20 February 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 7.45 am, 20 February 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 6 March 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation had committed an offence of import a prohibited import against section 233(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of 25 years imprisonment;
- the offence/s which is the subject of the controlled operation involved the interception and examination by ACS officers on 12 February 2003 following the interception and examination of an air freight consignment, described as being a DHL Worldwide Express Jumbo Junior cardboard package, bearing a DHL Air Shipment Waybill number 7222446523;

- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Further information is excluded under the provisions of section 15T(3).

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Not applicable

Conduct of the controlled operation

On 12 February 2003 members of the ACS intercepted and examined an air freight consignment containing a package of candles, cosmetics and gift items. The AFP members de-constructed the package and found 1,486 grams of cocaine concealed within the candles.

On 19 February 2003 the narcotic contents were replaced with an inert substance and a controlled delivery sample. DHL Worldwide Express contacted the AFP and advised they had received a telephone call from individual one who indicated she/he wished to collect the package. Later that day DHL contacted individual one on the number they provided and arranged for individual one to collect the package on 20 February 2003.

On 20, 21 and 22 February the AFP members conveyed the reconstructed package to the DHL office and placed it in a secure area under observation. At no time did any individual attend to collect the package.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 11090

Nature of activities

The delivery of a controlled sample of cocaine to DHL offices at Ross Smith Avenue and Eleventh Street, Mascot, NSW

Illicit goods

Type

Cocaine

Weight/quantity

1486.4 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Flight from the Netherlands to Australia

Persons who had possession of the illicit goods

Members of the AFP
Members of the ACS

Additional information

No charges were laid as a result of this controlled operation.

Controlled operation number

2002—03/45

Previous applications

Nil

Date of application

8 March 2003

Authorising officer

Francis Prendergast

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6.40 pm, 8 March 2003 Frank Prendergast, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 7 April 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation were likely to commit an offence against section 233B(1)(b) of the *Customs Act 1901* and sections 11.2(1) and 11.5(1) of the *Criminal Code Act 1995* or an associated offence whether or not the controlled operation takes place;
- ② these are serious Commonwealth offences and attract a maximum penalty of 25 years imprisonment;
- ③ the offences which were the subject of the controlled operation involved the proposed importation of approximately one kg of heroin ingested or concealed in men's shoes or possibly both;
- ④ conducting the controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offences/subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s;
- ⑥ based on previous experience it was likely that, if confronted, the person/s involved in the commission of the offence would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 12.24 pm, 26 March 2003 Controlled Operation Certificate 2002—03/45 was terminated.

Conduct of the controlled operation

On 12 March 2003 individual one arrived at Melbourne Airport aboard Thai Airways. AFP members had a conversation and two packages believed to contain heroin were produced from her/his underpants. Individual one agreed to help the AFP members with the delivery of the packages to individual two.

On 12 March 2003 individual one delivered a fully substituted package to individual two who was later arrested by the AFP members.

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

Nil

Nature of activities

A fully substituted package was delivered to individual two.

Illicit goods*Type*

Heroin and cannabis resin

Weight/quantity

Heroin 339.99 grams (net)

Cannabis resin 16.51 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotics are securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Kathmandu, Nepal, to Melbourne via Bangkok, Thailand, aboard flight TG981

Persons who had possession of the illicit goods

Members of the AFP

Individual one

Additional information

All individuals subject to this controlled operation were charged with offences under the Customs Act and Criminal Code.

The individuals subject to this matter were before the court.

Controlled operation number

2002—03/46

Previous applications

Nil

Date of application

24 March 2003

Authorising officer

Pavle Jevtovic

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 4.20 pm, 24 March 2003 Pavle Jevtovic, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 21 April 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation had committed an offence of import prohibited import against section 233BAB(5) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$250,000 or imprisonment for 10 years, or both;

- the offence/s which were the subject of the controlled operation involved importing a compact disc containing images of child pornography;
- conducting a controlled operation would provide police with an opportunity to identify those person/s in Australia who were involved in the commission of the offence subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 11.16 am, 2 April 2003 the Controlled Operation Certificate 2002—03/46 was terminated.

Conduct of the controlled operation

Information was received from the United States Postal Inspection Service that a person in Australia had displayed an interest in purchasing child pornography over the Internet.

Mr Kumar ordered a compact disc containing images of child pornography and requested delivery to a post office box in George Street, Brisbane. A post office box redirection indicated the parcel was to be forwarded to a post office box in Toowoomba.

The compact disc containing images of child pornography was forwarded to the AFP Liaison Officer in Washington by the USPI. This compact disc was then forwarded to the AFP's Sydney Office and then to the AFP's Brisbane Office.

The compact disc was delivered to the post office box, but was not collected.

Target/s of the controlled operation

Varunesh Shanil Kumar born 11 July 1983

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 3251
 Federal Agent 5676
 Federal Agent 10348
 Federal Agent 11782
 AFP Employee 11381
 APS Administrative Services Officer

Nature of activities

One compact disc containing images of child pornography being sent to AFP members in Brisbane from the USA

Delivery of the compact disc to the target address

Illicit goods*Type*

Compact disc containing images of child pornography

Weight/quantity

One

Current location

The compact disc is securely stored at the AFP Brisbane Office in accordance with the AFP National Guidelines on Exhibits.

Route through which the illicit goods travelled

The parcel containing the compact disc was forwarded by the USPS to the AFP Liaison Officer in Washington, USA. The parcel was safe hand delivered using a DFAT Diplomatic Courier to Sydney. At Sydney Airport, the Diplomatic Courier passed the parcel to an APS officer who in turn delivered the parcel to AFP employee 11381 at the AFP Airport Office. The parcel was then taken by Federal Agent 11782 to AFP Sydney Office registry. TNT couriers then conveyed it to the AFP Brisbane Office.

Persons who had possession of the illicit goods

Diplomatic Courier employed by DFAT
 Members of the APS
 Members of the AFP
 TNT couriers

Additional information

Although Mr Kumar did not collect the material subject of the controlled operation, there was sufficient evidence to proceed by way of summons. He appeared before the Toowoomba Magistrates Court, 13 January 2004, pleaded guilty and was sentenced to nine months imprisonment, released forthwith upon entering into a recognisance in the sum of \$5,000 conditioned that he be of good behaviour for two years.

Controlled operation number
2002—03/47**Previous applications**

Nil

Date of application

24 February 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 3.20 pm, 24 February 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 10 March 2003.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation had committed an offence of import prohibited import against section 233B(1)(b) of the *Customs Act 1901* and/or possess prohibited import against section 233B(1)(c) of the *Customs Act*, whether or not the controlled operation took place;
- these are serious Commonwealth offences and each attract a maximum penalty of 25 years imprisonment;
- the offences which were the subject of the controlled operation involved the interception and examination by ACS officers on 17 February 2003 of an air freight consignment, described as being a blue and yellow cardboard box with a large Correious marking across the front of the box. The package was Express Mail Service tracked with number EE014903650BR;

- examination of the airway bill revealed it was exported from Sao Paulo on 14 February 2003. The stated contents of the package were four video cassettes and one book;
- a Customs x-ray examination of the package revealed irregularities within the video cassette. Presumptive testing by Customs on the package indicated the presence of cocaine;
- on 17 February 2003 AFP members attended the Qantas Mail Handling Unit at Mascot and seized the package. The package was deconstructed by members of the AFP Physical Evidence Team and found to contain a net weight of 590.5 grams of cocaine concealed within four pornographic video cassettes and in the front and rear covers of a book on childbirth;
- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation; and
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Nil

Conduct of the controlled operation

An airfreight consignment was intercepted by members of the ACS at the Qantas Mail Handling Unit, Mascot. An examination of the package revealed it contained 590.5 grams of cocaine.

The package was addressed to an individual, whom the AFP was unable to identify.

On 24 February 2003 the AFP members re-constructed the package with an inert substance and a 20-gram controlled delivery sample. Two attempts to deliver it to the intended address were unsuccessful. After the second attempt a postal

notice was left advising the package would be available for collection at the Guildford West Post office.

On 25 February 2003 individual one telephoned Guildford West Post office and advised that a courier from Sydney Express would collect the package.

On 26 February 2003 Sydney Express management advised they had received delivery instructions from individual one. Individual one requested the package be collected and delivered to an address. Individual one also advised Sydney Express that the package was to be left at the entrance to the premises and that payment for delivery would be in an envelope at the entrance.

Later that day AFP members delivered the package to the address specified by individual one.

Inquiries revealed that individual one booked into the address and had been allocated a room. Individual one also advised the day manager she/he was expecting a package by courier and left \$50 to pay for the delivery of the package.

The day manager left a note in the room advising the package would be available for collection on 27 February 2003.

On 27 February 2003 individual one telephoned the hotel, inquired about the package and requested it be left in room for collection.

About 9.20 am, 28 February 2003 a request from individual one to place the package in the room was received by telephone and the request was met. At 6 pm, 1 March 2003 the package was retrieved as no person had entered the room to collect it.

Target/s of the controlled operation

The AFP has not been able to establish the true identity of the intended recipient.

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 11743

Nature of activities

The controlled delivery of one re-constructed EMS postal package containing a controlled delivery sample of 20 grams of cocaine to the intended recipient

Illicit goods*Type*

Cocaine

Weight/quantity

590.5 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL. The bulk of the narcotics are securely stored at Sydney Office, Drugs and Property Registry.

Route through which the illicit goods travelled

From Brazil to Sydney through the post

Persons who had possession of the illicit goods

Members of the AFP
Members of the ACS

Further information has been excluded under the provisions of section 15T(3) and 15T(4)(b).

Additional information

No arrests were made as a result of this controlled operation.

Controlled operation number

2002—03/50

Previous applications

2002—03/31

Date of application

27 March 2003

Authorising officer

Michael Keelty

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 5.30 pm, 28 March 2003 Michael Keelty, AFP Commissioner issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 23 May 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the major controlled operation were likely to commit an offence of import a prohibited import of narcotics, namely cocaine contrary to section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$500,000, or imprisonment for 25 years, or both, in the case of a trafficable quantity, and a fine not exceeding \$750,000, or imprisonment for life, or both, in the case of a commercial quantity;
- the subject of the major controlled operation was believed to be an impending importation of a trafficable quantity of cocaine in a package being sent from South America. It was believed the package carrying the cocaine would be imported into Melbourne;
- conducting a major controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s subject of the major controlled operation;
- conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

On 22 May 2003, Controlled Operation Certificate 2002—03/50 was terminated.

Conduct of the controlled operation

Further information is excluded under the provisions of 15T(3).

Target/s of the controlled operation

Further information is excluded under the provisions of 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Victoria Police Undercover Operative 129

Nature of activities

Telephone conversations between person/s identified in relation to this matter and UCO 129

Illicit goods

Nil

Additional information

No individuals were arrested subject to this matter.

Controlled operation number

2002—03/51

Previous applications

Nil

Date of application

7 April 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 3.45 pm, 7 April 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 14 April 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed an offence of obtaining a financial advantage by deception against section 134.2(1) of the *Criminal Code Act 1995*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of ten years imprisonment;
- ③ the offence which is the subject of the controlled operation involved importing a shipping container with approximately 11,000 kg of undeclared tobacco where the duty has not been paid;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 3.30 pm, 14 April 2003 Controlled Operation Certificate 2002—03/51 was terminated.

Conduct of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information is excluded under the provisions of section 15T(4)(b).

Civilian participants

This information is excluded under the provisions of section 15T(3).

Law Enforcement Officers

Nil

Nature of activities

The controlled delivery of a container of approximately 11 tonnes of smuggled tobacco

Illicit goods

Nil

Additional information

This matter was being considered for prosecution.

Controlled operation number

2002—03/52

Previous applications

Nil

Date of application

23 April 2003

Authorising officer

Francis Prendergast

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 5.10 pm, 23 April 2003 Francis Prendergast, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 29 April 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation might have committed an offence of possessing a prohibited import, namely heroin, contrary to section 233B(1)(c) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$500,000, or imprisonment for

25 years, or both, in the case of a trafficable quantity, a fine not exceeding \$750,000, or imprisonment for life, or both, in the case of a commercial quantity;

- the offence which was the subject of the controlled operation involved the possession of 75 kg of heroin which was believed to have been imported into Australia, contrary to section 233B(1)(c) of the *Customs Act 1901*;
- conducting a controlled operation would provide police with an opportunity to identify those person/s in Australia and/or overseas who were involved in the commission of the offence/s and the location of the heroin subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s and location of heroin; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Not applicable

Conduct of the controlled operation

This information is excluded subject to the provisions of 15T(4)(b).

Target/s of the controlled operation

This information is excluded subject to the provisions of 15T(3) and 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

WA Undercover Operative 72

Nature of activities

Western Australia UCO to enter into discussion with those persons identified relating to the location of heroin

Illicit goods

Nil

Additional information

The individuals subject to this investigation were before the court.

Controlled operation number

2002—03/55

Previous applications

2002—03/52

Date of application

29 April 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 1.53 pm, 29 April 2003 John Davies, Deputy Commissioner of the AFP issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 28 June 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the major controlled operation might have committed an offence of possessing a prohibited import, namely heroin, contrary to section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of \$500,000, or 25 years imprisonment, or both, in the case of a trafficable quantity, and a fine not exceeding \$750,000 or imprisonment for life, or both, in the case of a commercial quantity;
- the offence which was the subject of the major controlled operation involved the possession of

75 kg of heroin, believed to have been imported into Australia, contrary to section 233B(1)(b) of the *Customs Act 1901*;

- conducting a major controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the major controlled operation;
- conducting a major controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

Not applicable, Controlled Operation Certificate number 2002—03/55 expired on 28 June 2003.

Conduct of the controlled operation

This information is excluded subject to the provisions of 15T(3) and 15T(4)(b).

Target/s of the controlled operation

This information is excluded subject to the provisions of 15T(3) and 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 12873

WA Undercover Operative 72

Nature of activities

Further information is excluded subject to the provisions of 15T(3) and 15T(4)(b).

Illicit goods

Nil

Additional information

The individuals subject to this investigation were before the court.

Controlled operation number 2002—03/56

Previous applications

Nil

Date of application

29 April 2003

Authorising officer

John Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6.50 pm, 29 April 2003 John Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 12 May 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed or were likely to commit an offence of import a prohibited import, namely cocaine, against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of 25 years imprisonment;
- ③ the offences which are subject of the controlled operation involved intercepting an airfreight consignment by ACS officers on 26 April 2003;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and

- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Further information has been excluded under the provisions of section 15T(3).

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 2.30 pm, 16 May 2003 Controlled Operation Certificate 2002—03/56 was terminated.

Conduct of the controlled operation

On 26 April 2003 members of the ACS at the Qantas Mail Handling Unit at Sydney Airport intercepted a package that had arrived in Australia from China. The package was identified as being suspicious following an x-ray examination during which a shadow consistent with concealed powder was observed.

On 27 April 2003 the AFP members took possession of the package. The package was deconstructed and found to contain 387.5 grams of cocaine. The package was reconstructed with a representative sample of 20 grams of the original cocaine.

On 30 April 2003 the reconstructed package was delivered to the intended address. The occupants stated that no person by the name of the addressee was known at that location and refused to accept the package. The reconstructed package was returned to the AFP Sydney Office Drug Registry.

Target/s of the controlled operation

This information has been excluded the provisions of section 15T(3).

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 11758

Nature of activities

The controlled delivery of the reconstructed package to the intended address

Illicit goods*Type*

Cocaine

Weight/quantity

496.2 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotics were destroyed.

Route through which the illicit goods travelled

Package was sent from Ghangzhou, Dao Da Nana, China, to Sydney.

Persons who had possession of the illicit goods

Members of the AFP
ACS officers

Additional information

No individuals had been arrested subject to this matter.

Controlled operation number

2002—03/57

Previous applications

Nil

Date of application

1 May 2003

Authorising officer

John Davies

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 10.10 am, 2 May 2003 John Davies, Deputy Commissioner of the AFP issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 31 July 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the major controlled operation were likely to commit an offence of import a prohibited import, namely firearms, contrary to section 233BAB(5) of the *Customs Act 1901*, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$275,000 or imprisonment for 10 years, or both;
- ③ the offence that is the subject of this controlled operation was believed to be an impending illegal importation. It was believed the container holding the goods would be imported into Melbourne, Australia;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Further information has been excluded under the provisions of section 15T(4)(b).

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Not applicable, Controlled Operation Certificate number 2002—03/57 expired on 31 July 2003.

Conduct of the controlled operation

This information has been excluded under the provisions of section 15T(4)(b).

Target/s of the controlled operation

This information has been excluded under the provisions of section 15T(3) and 15T(4)(b).

Civilian participants

Nil

Law Enforcement Officers

AFP Undercover Operative 19563

Nature of activities

Meeting between UCO 19563 and those persons identified in relation to this matter

Illicit goods

Nil

Additional information

Investigations were continuing in relation to this matter.

Controlled operation number

2002—03/58

Previous applications

Nil

Date of application

7 May 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 12.15 pm, 7 May 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 5 June 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed an offence of import prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;

- ② this is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment;
- ③ the offence/s subject of the controlled operation involved the importation of a shipping container, which contained approximately 223 kg of amphetamine;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s;
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 1.15 pm, 22 May 2003 Controlled Operation Certificate 2002—03/58 was terminated.

Conduct of the controlled operation

On 5 May 2003 members of the ACS examined a shipping container that had arrived at Port Botany, Sydney, from Guangzhou Province, People's Republic of China. The examination found 223 kg of amphetamine concealed within the shipping container.

The shipping container was reconstructed with an inert substance and a representative sample.

On 13 May 2003 the container was transported by truck to a storage facility in Ultimo. At this location a number of individuals unloaded the contents of the container into a storage unit.

On 15 May 2003 Zhang and Tu left the storage unit. Shortly after Zhang and Tu were arrested and charged.

A search warrant was executed at the storage unit. Five of the boxes had been opened.

Target/s of the controlled operation

June Zhang born 15 June 1956

Wei-Liang Tu born 14 October 1962

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 11758 delivered the package to the intended address.

Nature of activities

The controlled delivery of the reconstructed package to the intended address

Illicit goods*Type*

Methylamphetamine

Weight/quantity

212352.6 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Container arrived by ship at Port Botany, Sydney, from Guangzhou, People's Republic of China.

Persons who had possession of the illicit goods

Members of the ACS
Contract driver for Customs
Members of the AFP

Additional information

Both individuals subject to this matter were charged and found guilty contrary to the *Customs Act 1901*. They were awaiting sentencing.

Controlled operation number

2002—03/60

Previous applications

Nil

Date of application

27 May 2003

Authorising officer

Francis Prendergast

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 1.40 pm, 27 May 2003 Frank Prendergast, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 2 June 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- ① the person/s targeted by the controlled operation had committed an offence contrary to section 11.2, subsection 1 of the *Criminal Code 1995* of aid and abet, counsel and procure the commission of an offence by another person against paragraph 233B(1)(b) of the *Customs Act 1901*, being import into Australia a prohibited import, namely cocaine, whether or not the controlled operation took place;
- ② this is a serious Commonwealth offence and attracts a maximum penalty of \$500,000, or 25 years imprisonment, or both, in the case of a trafficable quantity;
- ③ the offence which is the subject of the controlled operation involved importing approximately one kg of suspected cocaine concealed within the lining of a cardboard box containing various personal items sent from San Paulo, Brazil, to an address in Caulfield, Melbourne. The suspect in this case was a Nigerian National, Cosmark Ehlo Onwuji, born 30 January 1967, residing at the Caulfield address. Mr Onwuji had sent \$28,000 overseas to Thailand and Brazil earlier in the year;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ⑤ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ⑥ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

At 5.50 pm, 2 June 2003 Controlled Operation Certificate 2002—03/60 was terminated.

Conduct of the controlled operation

A package was sent by EMS, a subsidiary of Australia Post, from an address in San Paulo, Brazil, to an address in Caulfield, Melbourne. On 26 May 2003 members of the ACS seized the package, deconstructed it and found it contained a quantity of cocaine.

The package was subsequently handed to members of the AFP and sent to the AFP Melbourne Office where the narcotics were securely stored. The cocaine was substituted with an inert substance, and a representative sample of 20 grams of cocaine.

On 29 May 2003 the package was delivered by an AFP member to the consignee address. The package was received and signed for by Cosmark Onwuji, born 30 January 1967. Shortly after, a section 3E Crimes Act search warrant was executed. Numerous items were seized including \$15,850, and the parcel containing the controlled delivery sample. Mr Onwuji was arrested and taken to AFP Headquarters, Melbourne, where he was charged.

Target/s of the controlled operation

Cosmark Ehlo Onwuji born 30 January 1967

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 11743
Federal Agent 12023
Federal Agent 12029

Nature of activities

The substitution of the narcotic goods with an inert substance and representative sample and subsequent delivery of the package to the consignee

Illicit goods

Type

Cocaine

Weight/quantity

274.5 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotics are securely stored at Melbourne office, Drugs and Property Registry.

Route through which the illicit goods travelled

From San Paulo, Brazil, to Australia by postal service. The package was then taken to AFP, Eastern and secured. The following day it was taken to Sydney Airport and placed on a Qantas flight for Melbourne. The package was retrieved by the AFP and taken to AFP Melbourne Office, where it was lodged in the Drugs and Property Registrar.

Persons who had possession of the illicit goods

Cosmark Onwuji

Additional information

Mr Onwuji was found guilty and sentenced to four years imprisonment.

Controlled operation number

2002—03/61

Previous applications

Nil

Date of application

29 May 2003

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 10. am, 29 May 2003 Tony Negus, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 29 June 2003.

Grounds for issue of certificate

On the information provided, the authorising officer considered that:

- the person/s targeted by the controlled operation had committed an offence of import prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of life imprisonment;
- the offence/s which is the subject of the controlled operation involved the importation of a package containing approximately 8.7 kg of MDMA;
- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Variation of certificate

Not applicable

Review

Not applicable

Termination or surrender

On 4 June 2003 Controlled Operation Certificate 2002—03/61 was terminated.

Conduct of the controlled operation

Members of the ACS intercepted and examined a package which had been sent from the Netherlands to an address in Bondi. The package was deconstructed by members of the AFP who found 8.7 kg of MDMA in tablet form. The package was reconstructed and the narcotic goods replaced with an inert substance and representative sample.

The package was delivered to the consignee address. The package was reluctantly accepted by individual one. The AFP members executed a search warrant at the address and seized the package which had not been opened.

Target/s of the controlled operation

Information excluded under the provisions of section 15T(3)

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 10710

Nature of activities

The controlled delivery of the package containing a sample of the narcotics

Illicit goods*Type*

MDMA

Weight/quantity

8729.9 grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Package was sent from the Netherlands to Sydney.

Persons who had possession of the illicit goods

Members of the AFP
ACS officers

Further information is excluded under section 15T(3).

Additional information

No individual was arrested subject to this matter.

Controlled operation number

AFP 2001—02/02

Previous applications

Nil

Date of application

26 July 2001

Authorising officer

Steve Jackson

Nature of the application:

The application was made pursuant to section 15L of the Act.

Decision of authorising officer

At 12.10 pm, 26 July 2001 Federal Agent Steve Jackson, General Manager, Western Operations, Perth, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate ceased to be in force on 25 August 2001.

Previous applications

Nil

Grounds for issue of certificate

In making the decision to issue a certificate authorising a controlled operation the authorising officer took into account the information provided by the applicant that:

- ② the quantity of narcotic goods involved and the method of concealment suggested that those responsible for the importation had access to considerable financial and physical resources;
- ② AFP investigations suggested that those involved had the propensity and resources to facilitate a further importation if not apprehended and prosecuted;
- ② conducting a controlled operation would provide police with an opportunity to identify those persons involved in the importation;
- ② conducting a controlled operation would enable police to gather direct evidence of the involvement and knowledge of Fernando and others, in the importation by allowing them to take possession of the drugs;
- ② based on previous experience it was likely that, if confronted, the person/s involved in the operation would deny all knowledge;
- ② conducting a controlled operation would provide police with the opportunity to identify the principal/s in Australia who have financed and organised the importation; and
- ② the information concerned a commercial quantity of cocaine under the Customs Act, the illegal importation of which attracts a maximum penalty of life imprisonment or a fine of \$750,000, or both.

In view of these matters the authorising officer considered the criminal activities of this syndicate were sufficiently serious to warrant the issue of a certificate authorising the controlled operation.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Nil

Conduct of the controlled operation

The application for the certificate was based on the narcotics passing unimpeded through ACS control and being allowed to be transferred from a (then unidentified) mother ship to a Zodiac type inflatable boat whilst under AFP, ACS and Coast Watch surveillance to the intended rendezvous location on a remote beach on the North-Western Australian coast.

On 27 July 2001 members of the AFP conducted a controlled operation at Dulverton Bay, Western Australia, that resulted in the seizure of approximately 1,000 kg of narcotic goods

Targets of the controlled operation

Fernando De La Espriella Velasco born 28 May 1969

Law enforcement officers

Nil

Civilian participants

Nil

Nature of activities

To legally permit narcotic goods to pass through Customs control unimpeded and gain further evidence of the commission of an offence, as well as attempt to identify others who may have knowledge of the importation.

Illicit goods

Type

Cocaine

Weight/quantity

937,905 grams (net)

Current location of the drugs:

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotics were destroyed.

Route through which the illicit goods travelled

Venezuela to a destination off the coast of Brazil (on a sea vessel) where the goods were transferred onto the White Dove, then to Dulverton Bay, Western Australia.

Persons who had possession of the illicit goods

Joel Louis Parrish
 Carlos Arturo Suarez-Mejia
 William Roger Reaves
 Members of the AFP

Additional information

On 25 August 2003 Mr Fernando De La Espriella Velasco was sentenced to life imprisonment with a non-parole period of 26 years. Mr Espriella Velasco has lodged an appeal against both the conviction and sentence.

On 16 May 2003 after two trials Joel Louis Parrish was found not guilty and was deported to the United States.

On 7 December 2001 Carlos Arturo Suarez-Mejia was sentenced to life imprisonment, with a non-parole period of 27 years. An appeal by Suarez-Mejia against the severity of the non-parole period was unsuccessful.

On 15 July 2002 William Roger Reaves was sentenced to 25 years imprisonment, with a non-parole period of 14 years. Both the Crown and Mr Reaves appealed the sentence and on 24 May 2004 Reaves' sentence was increased to life imprisonment with a non-parole period of 18 years.

Controlled operation number**2001—02/09****Previous applications**

Nil

Date of application

17 September 2001

Authorising officer

John Adrian Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 1.58 pm, 17 September 2001 John Adrian Lawler, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner, issued a certificate authorising a controlled operation to be undertaken

Period for which the certificate is in force

The certificate ceased to be in force on 16 September 2001.

Previous applications

Nil

Grounds for issue of certificate

In making the decision to issue a certificate authorising a controlled operation the authorising officer took into account the information provided by the applicant that:

- ① prima facie the offence of importation had been committed;
- ② there had been four previous importations identified using this methodology;
- ③ those involved clearly had the propensity and resources to facilitate further importations if not apprehended and prosecuted;
- ④ conducting a controlled operation would provide police with an opportunity to identify those persons involved in the importation;
- ⑤ based on previous experience, it was likely that, if confronted, the person/s involved in this operation would deny all knowledge;
- ⑥ conducting a controlled operation would enable police to gather direct evidence of the involvement of those persons in the importation by allowing them to attempt to take possession of the drugs; and
- ⑦ the proposed importation consisted of a trafficable quantity of 3,4-methylenedioxymethamphetamine (MDMA) under the *Customs Act 1901*, the illegal importation of which attracts a maximum penalty of 25 years imprisonment, and/or a fine of \$100,000, or both.

In view of these matters the authorising officer considered the criminal activities of this syndicate were sufficiently serious to warrant the issue of a certificate authorising the controlled operation.

Variation of certificate

Nil

Review

Not applicable

Termination or surrender

Nil

Conduct of the controlled operation

On Thursday, 20 September 2001 an AFP member delivered a wooden crate containing an automotive transmission and an amount of non-narcotic tablets to The Car Clinic, 132 Victoria Road, Parramatta, NSW.

About 12.28 pm, the same day a silver Ford falcon (NSW registration WSF057) was observed to arrive at the premises. Vichai Schofield left the driver's side of the vehicle and opened the boot. The wooden crate was then loaded onto the back seat of the vehicle WSF057 in the presence of Vichai Schofield, who then left the premises in the vehicle.

About 1.10 pm the same day Vichai Schofield was seen to turn into Daintree Place, Dural, NSW. A short time later the vehicle WSF057 was seen to depart. The AFP members located the unopened wooden crate a short distance from the road in bushland at the end of Daintree Place.

Vichai Schofield was subsequently stopped and arrested by members of the AFP.

Target/s of the controlled operation

Vichai Schofield born 19 October 1977

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 10349

Nature of activities

The delivery of one wooden crate, containing a CDS sample of MDMA, to The Car Clinic, 132 Victoria Road, Parramatta, NSW

Illicit goods

Type

MDMA

Weight/quantity

2097.9 grams (net)

Current location

A sample of the narcotic goods has been sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Jakarta Indonesia to Sydney onboard flight SQ219 to Sydney

Persons who had possession of the illicit goods

Vichai Schofield

Members of the AFP

Additional information:

On 6 February 2003, Mr Vichai Schofield was sentenced to five years imprisonment with a non-parole period of three years.

Controlled operation number

2001—02/18

Previous applications

Nil

Date of application

Wednesday, 31 October 2001

Authorising officer

Mr John Adrian Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 3.30 pm, Friday, 31 October 2001 John Adrian Lawler, General Manager, Australian Federal Police, a senior executive AFP employee who is a member of the AFP and is authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until Friday, 30 November 2001.

Grounds for issue of certificate

On the information provided to me I considered that:

- the person or persons targeted by the controlled operation had committed or were likely to

commit the offences of import a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, and being knowingly concerned in the import of a prohibited import against section 233B(1)(d) of the *Customs Act 1901*, whether or not the controlled operation took place;

- these are serious Commonwealth offences and attract a maximum penalty of life imprisonment;
- the offence/s which were the subject of the controlled operation involved the United States Customs Service intercepting two DHL packages on Saturday, 27 October 2001 at the Miami International Airport Foreign Mail Facility, Miami, Florida. These packages were inspected and found to contain approximately 2.0 kg of cocaine. Both of these packages were under one airway bill number 6731201444 and both were addressed to: John Spinks, Active Hire Group, 10 Salisbury Road, NSW, 2077;
- the cocaine was secreted inside professional portfolios/photo albums;
- police conducted a number of inquiries with AFP and State databases and were unable to confirm the identity of John Spinks. There was a strong possibility that John Spinks was an alias for another person as yet unidentified;
- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Termination or surrender

At 11.40 am, Friday, 9 November 2001 Mr John Adrian Lawler, the authorising officer, terminated certificate 2001—02/18.

Conduct of the controlled operation

On 1 November 2001 two DHL packages containing 2,100 grams of cocaine (gross weight) were imported into Sydney by the AFP aboard QANTAS flight QF012. The packages were then obtained from

Captain Stewart Hunter, the QANTAS pilot, by the AFP members at Sydney International Airport and taken to AFP Sydney Office.

On 2 November 2001 two DHL packages, each containing 20 grams of cocaine and a quantity of an inert substance, were delivered by an AFP member to the intended address in NSW, the business premises of Active Hire.

Upon delivery the manager of Active Hire, Richard Illingworth took possession of both the DHL packages. The packages were then placed by Illingworth into the office. At the close of trading all Active Hire employees and Illingworth left the premises. The packages remained inside the premises.

On 3 November 2001 Active Hire resumed trading with Illingworth present. The packages remained in the premises during the day. At the close of trading all employees left Active Hire and Illingworth remained. About two hours later Jerry Maloney attended and entered Active Hire. A short time later the DHL packages were opened by Illingworth and Maloney. AFP members subsequently entered the premises and arrested both Illingworth and Maloney.

Target/s of the controlled operation

Richard Paul Illingworth born 30 December 1954
Jerry Royston Maloney born 6 November 1970

Law Enforcement Officers

Federal Agent 10305
Federal Agent 5095
Federal Agent 10059

Civilian participants

Mr Stewart Hunter

Nature of activities

The importation of two DHL packages containing 2,100 grams of cocaine into Sydney Australia

The delivery of two DHL packages containing 40 grams of cocaine to Active Hire

Illicit goods

Type
Cocaine

Weight/quantity
2,100 grams (net)

Current location

A sample of the narcotic goods has been sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Los Angeles, United States, onboard flight QF012 to Sydney

Persons who had possession of the illicit goods

QANTAS pilot
Richard Paul Illingworth
Jerry Royston Maloney
Members of the AFP
Members of the US Customs Service

Additional information

Mr Richard Paul Illingworth was sentenced to six years imprisonment with a non-parole period of three years and three months.

Mr Jerry Royston Maloney was sentenced to eight years imprisonment with a non-parole period of five years.

Controlled operation number

2001—02/21

Previous applications

Nil

Date of application

Tuesday, 20 November 2001

Authorising officer

Mr John Adrian Lawler

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 6.20 pm, Tuesday, 20 November 2001 Mr John Lawler, General Manager, AFP, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 19 December 2001.

Grounds for issue of certificate

On the information provided to me I considered that:

- the person or persons targeted by the controlled operation had committed or were likely to commit the offences of import a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, and being knowingly concerned in the import of a prohibited import against section 233B(1)(d) of the *Customs Act 1901* whether or not the controlled operation took place;
- these are serious Commonwealth offences and attract a maximum penalty of life imprisonment;
- on Sunday, 18 November 2001 ACS officers at Sydney Kingsford Smith Airport identified a DHL airfreight package found to contain an amount of heroin. The package was addressed to Mrs Salam Joumaa, 200 Noble Avenue, Greenacre, NSW, Australia;
- the package had been sent from Istanbul, Turkey, and the sender was marked on the consignment note as being Imad Matar. The package contained three Volvo auto part boxes containing one Volvo flywheel auto part per box. The heroin was secreted inside Volvo Flywheel car parts constructed of a moulded composite resin;
- on Monday, 19 November 2001 two of the Volvo flywheels were deconstructed by members of the AFP and found to contain a net total of about 1.1kg of heroin. The third wheel was still to have been deconstructed; it was estimated that the total amount heroin in the package was 1.7 kilograms;
- information received from the NSW Police identified three likely suspects for this importation. Police believed Azam El-Kheir, born 31 July 1977, resided at the consignment address;
- Nasser El-Kheir born 29 August 1963 was believed to be an associate and relative of Azam;
- individual one was a known associate of Azam and Nasser and believed to be the other main organiser of this importation. Police conducted a number of inquiries with AFP and State databases and were not been able to confirm the identity of Salam Joumaa. Police believed there was a strong possibility that Salam Joumaa was an alias for another person;

- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- based on previous experience it was likely that, if confronted, the persons would deny all knowledge.

Termination or surrender

At 7.20 pm, Wednesday, 21 November 2001 John Lawler, the authorising officer, terminated the certificate as the controlled operation had concluded.

Conduct of the controlled operation

About 1 pm, 21 November 2001 an AFP Federal Agent dressed as a DHL courier driver delivered the reconstructed packages to a female subsequently identified as individual two.

About 3.25 pm, 21 November 2001 the AFP officers entered the premises and recovered the package and the controlled delivery substance. During this process two male occupants of the premises were arrested while dismantling two of the three flywheels delivered.

The offenders were subsequently identified as: Azam El-Kheir (aka Adam Kheir) born 31 July 1977 and Assaad El-Kheir born 1 June 1966.

Target/s of the controlled operation

Azam El-Kheir (aka Adam Kheir) born 31 July 1977
Assaad El-Kheir born 1 June 1966

Law Enforcement Officers:

Federal Agent 5309
Federal Agent 3300
Federal Agent 10522
Federal Agent 10498

Civilian participants

Not applicable

Nature of activities

Continuity of the narcotic goods and delivery by Federal Agent 10522

Illicit goods

Type

Heroin

Weight/quantity

1605 grams (net)

Current location

A sample of the narcotic goods has been sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

The package was sent from Istanbul, Turkey, by air freight to Sydney.

Persons who had possession of the illicit goods

Individual two
Azam El-Kheir born 31 July 1977
Assaad El-Kheir born 1 June 1966.
Members of the AFP

Additional information

On 9 May 2003 Mr Azam El-Kheir was sentenced to seven years imprisonment with a non-parole period of four years.

On 14 November 2003 Mr Assaad El-Kheir was sentenced to eight years imprisonment with a non-parole period of five years. On 1 June 2004, Mr Assaad El-Kheir appealed his sentence.

Controlled operation number 2001—02/33

Previous applications

Nil

Date of application

Monday, 4 March 2002

Authorising officer

Mr Tony William Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 5 pm, Monday, 4 March 2002 Mr Tony William Negus, Director Operations, AFP, a senior executive AFP employee who is a member of the AFP and is authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until Thursday, 4 April 2002.

Grounds for issue of certificate

On the information provided to the authorising officer he considered that:

- ① the persons or persons targeted by the controlled operation had committed or were likely to commit the offences of import prohibited import against section 233B(1)(b) of the *Customs Act 1901*, and possession of a prohibited import against section 233B(1)(c) of the *Customs Act 1901*, whether or not the controlled operation takes place;
- ② these are serious Commonwealth offences and attract a maximum penalty of life imprisonment;
- ③ conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- ④ conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- ⑤ based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Termination or surrender

At 12 pm, Wednesday, 3 April 2002 John Lawler, the authorising officer terminated certificate 2001—02/33.

Conduct of the controlled operation

On 1 March 2002 a package containing a wax candle statue of a religious icon was intercepted by the ACS. The package had been sent from the Netherlands to 44 Paten Street, Revesby, NSW. The candle was found to contain 879.1 grams of MDMA and 178 grams of cocaine. The illicit goods were substituted with an inert substance and a representative sample.

On 5 March 2002 an AFP member, acting in a covert role, delivered the package containing the inert substance to 44 Paten Street, Revesby, NSW, where a person claiming to be the consignee (Mark Selby) took possession of the package. The person was subsequently identified as Ralph Hour. Hour took the package to a service station at 181 The Boulevard, Miranda. Hour left the package at the service station, returning several times during the following hours.

Later that evening Hour again returned to the service station and appeared to collect the package. Hour was surveilled to the vicinity of 2 Williams Parade, Dulwich Hill, where he was subsequently arrested. The package containing the inert substance was recovered from Unit 19/2 Williams Parade, Dulwich Hill. The occupant of the Unit, Claudio Vera, was also arrested.

Hour and Vera were charged with offences under the *Customs Act 1901*. Both were also charged with unrelated narcotic offences under the *NSW Drug Misuse and Trafficking Act 1985*.

Target/s of the controlled operation

Ralph Hour born 15 January 1964
Claudio Vera born 21 September 1970

Civilian participants

Nil

Law Enforcement Officers

Federal Agent 10534

Nature of activities

The delivery of the package to Ralph Hour

Illicit goods

Type

MDMA
Cocaine

Weight/quantity

879.1 grams (net) of MDMA
178 grams (net) of cocaine

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

Netherlands to Sydney, by a DHL courier system, where it was intercepted by the ACS

Persons who had possession of the illicit goods

Ralph Hour
Claudio Vera
Members of the AFP

Additional information

On 11 November 2002 Mr Claudio Vera was sentenced to three years imprisonment with a two-year, non-parole period.

On 5 March 2003 Mr Ralph Hourri was sentenced to three years imprisonment with a two-year, non-parole period.

Controlled operation number

2001—02/37

Previous applications

Nil

Date of application

Tuesday, 19 March 2002

Authorising officer

Mr Mark John Ney

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

On Tuesday, 19 March 2002 Mark John Ney, General Manager Northern, AFP, a senior executive AFP employee who is a member of the AFP and is authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 18 April 2002.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided to the authorising officer he considered that:

- the person or persons targeted by the controlled operation had committed and offence of importing a prohibited import against section 233B(1)(b) of the *Customs Act 1901*, whether or not the controlled operation takes place;
- this is a serious Commonwealth offence and attracts a maximum penalty of 20 years imprisonment;
- the offence which is the subject of the controlled operation involved investigating the importation of a prohibited import, namely an amount not less than a commercial quantity;

- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those persons; and
- based on experience it was likely, that if confronted, the person would deny all knowledge.

Variation

At 6.56 pm, Friday, 22 March 2002 John Davies, Deputy Commissioner varied the certificate to allow police to facilitate the delivery of the consignment, covertly enter premises to inspect parts of the consignment and to provide sufficient protection to a civilian participant.

Termination or surrender

On 26 March 2002 Ben McDevitt, an authorising officer, terminated certificate 2001—02/37.

Conduct of the controlled operation

On 15 March 2002 a container arrived at a Brisbane sea terminal on board a ship from China. The manifest listed the contents of the containers as rice sticks. An ACS examination identified 378.31 kg of heroin concealed in 27 boxes amongst the cargo.

The heroin was substituted with an inert substance and a representative sample.

On 21 March 2002 the container, with the inert substance and representative sample, was delivered to the addressee at Global Trading International, Unit 14 Redgum Centre, Compton Rd, Woodridge, Queensland. The boxes in the container were transferred to the premises by Terry Huy Quol Ngo and Raymond Kuok-In Hung.

On 22 March 2002 Ngo and Hung transferred 26 of the boxes to the truck of a transport company to be transferred interstate. The boxes did not include the representative sample.

On 23 March 2002 Hung removed the remaining box containing the representative sample from the premises.

Hung, Ngo and Vincent Wong were arrested and charged with offences against section 233(1)(b) of the *Customs Act 1901*.

Target/s of the controlled operation

Raymond Kuok-In Hung born 5 June 1969

Vincent Wong born 21 March 1969

Terry Huy Quol Ngo born 2 April 1970

Civilian participants

A civilian participant was named within the variation but did not carry out the intended activity.

Law Enforcement Officers

Federal Agent 3689

Federal Agent 1883

Federal Agent 3737

Federal Agent 2435

Nature of activities

Facilitating the delivery of the consignment and the covert entry into premises to inspect the consignment

Illicit goods*Type*

Heroin

Weight/quantity

378310 grams (net)

Current location

A sample of the narcotic goods has been sent to the AGAL for analysis. The bulk of the narcotic goods were destroyed.

Route through which the illicit goods travelled

China to Brisbane in a container by sea

Persons who had possession of the illicit goods

Raymond Kuok-In Hung

Vincent Wong

Terry Huy Quol Ngo

Members of the AFP

Further information has been excluded under the provisions of section 15T(3).

Additional information

In March 2002 Mr Raymond Kuok-In Hung, Mr Vincent Wong and Mr Terry Huy Quol Ngo were arrested and charged with import prohibited import contrary to section 233B of the *Customs Act 1901* following the importation of 378 kg of heroin into Brisbane.

On 11 October 2003 the jury returned verdicts of not guilty in respect of the accused: Raymond Kuok-In Hung, Vincent Wong and Terry Huy Quol Ngo. They were subsequently discharged by the Court.

Controlled operation number

2001—02/42

Previous applications

Nil

Date of application

Wednesday, 15 May 2002

Authorising officer

Mr Peter Wood

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 10.40 am, Wednesday, 15 May 2002 Peter Wood, Director Operations, AFP, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until Tuesday, 4 June 2002.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided to the authorising officer he considered that:

- Barry Francis Thomas had committed an offence of attempting to import a prohibited Tier 2 good against section 233BAB(5) of the *Customs Act 1901* by virtue of section 11.1 of the *Criminal Code Act 1995*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty for which includes a fine of not exceeding \$250,000, or imprisonment for 10 years, or both;
- the offence the subject of the controlled operation involved the attempted importation of Prohibited Imports being Tier 2 goods, comprising pornographic material, specifically a VHS video cassette tape on which child pornography relating to persons under the age of 16 years, was depicted;

- conducting a controlled operation would enable the police to gather direct evidence of the involvement of Barry Francis Thomas; and
- based on previous experience it was likely that, if confronted, Barry Francis Thomas would deny all knowledge.

Conduct of the controlled operation

On Friday, 24 May 2002 members of the AFP delivered a post pack containing the subject of the controlled operation to the intended recipient. The post pack was delivered to, and signed for by Barry Francis Thomas and taken inside. The AFP members executed a search warrant on the premises and recovered the subject of the controlled operation. The post pack had been opened and Thomas admitted watching the video. Thomas was later interviewed and made full admissions in relation to importing a prohibited import.

Target/s of the controlled operation

Barry Francis Thomas born 10 April 1939

Law Enforcement Officers

Federal Agent 10012
 Federal Agent 5099
 Federal Agent 4295
 Federal Agent 4942
 Federal Agent 10512
 Federal Agent 5668
 Inspector of the United States Postal Inspection Service

Nature of activities

Importation and delivery of the goods to the intended recipient

Illicit goods

Type

One VHS video cassette containing child pornography

Weight/quantity

One video cassette

Current location

The illicit good is securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

United States Postal Inspection Service to Senior Liaison Officer Washington secured in a diplomatic bag Washington to Sydney via Los Angeles in the possession of a diplomatic courier Sydney Office to Melbourne Office

Persons who had possession of the illicit goods

Barry Thomas
 Inspector of USPIS
 Members of the AFP

Additional information

On 19 May 2003 Barry Thomas submitted a plea of guilty and was sentenced to complete 200 hours of community service over 12 months and to attend a sex offender's course.

Controlled operation number

2001—02/46

Previous applications

Nil

Date of application

Monday, 24 June 2002

Authorising officer

Tony Negus

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

On Monday, 24 June 2002 Tony Negus, General Manager, AFP, a senior executive AFP employee who is a member of the AFP and is authorised in writing by the Commissioner for the purposes of section 15J issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 23 July 2002.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided to the authorising officer he considered that:

- the person or persons targeted by the controlled operation were likely to commit an offence of importing child pornography against section 233BAB(1)(h) of the *Customs Act 1901*, whether or not the controlled operation took place;

- ② this is a serious Commonwealth offence and attracts a maximum penalty of \$250,000, or ten years imprisonment;
- ② the offence the subject of the controlled operation involved importing four videotapes of child pornography from America to Australia;
- ② conducting a controlled operation would provide police with an opportunity to identify those persons in Australia who were involved in the commission of the offence subject of the controlled operation;
- ② conducting a controlled operation would enable the police to gather direct evidence of the involvement of the person; and
- ② based on previous experience it was likely that, if confronted, the person would deny all knowledge.

Variation of certificate

At 3.40 pm, Wednesday, 26 June 2002 Tony Negus, General Manager, AFP, a senior executive AFP employee who is a member of the AFP and is authorised in writing by the Commissioner for the purposes of section 15J, varied the certificate to conduct a controlled operation involving the importation of a quantity of child pornography and to facilitate and monitor the delivery of the child pornography to the intended recipient.

Review

Not applicable

Termination or surrender

Not applicable

Conduct of the controlled operation

The United States Postal Inspection Service (USPIS) identified four video tapes containing explicit child pornography, being forwarded to an address in Australia. A controlled operation began and the video tapes forwarded to Australia through the diplomatic courier service. The package arrived in Australia on 27 June 2002 and was handed to members of the AFP.

Two videos in separate packages were subsequently delivered to the intended recipient, Gary Featherstone, through the Willoughby Post Office. A search warrant was subsequently executed and Featherstone was arrested and charged with importation of tier 2 goods (child pornography), contrary to section 233BAB(5) of *Customs Act 1901*.

Target/s of the controlled operation

Gary Maxwell Featherstone born 2 September 1949.

Civilian participants

Member of DFAT

Law Enforcement Officers

Not applicable

Nature of activities

Facilitate the importation and subsequent delivery of the video tapes to Featherstone

Illicit goods

Type

VHS videos containing child pornography

Weight/quantity

Four video tapes

Current location

The illicit goods are securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

On Qantas flight QF12 from Los Angeles to Sydney

Persons who had possession of the illicit goods

Member of the AFP
Member of Australia Post
Member of DFAT
Gary Featherstone

Additional information

On 5 September 2003 Mr Gary Featherstone was found guilty and sentenced to two years imprisonment with a non-parole period of one year.

Controlled operation number

2001—02/47

Previous applications

Nil

Date of application

Thursday, 23 May 2002

Authorising officer

Peter Wood

Nature of application

The application was made pursuant to section 15K of the Act.

Decision of authorising officer

At 3.05 pm, Thursday, 23 May 2002 Peter Wood, Director Operations, AFP, a senior executive AFP employee who is a member of the AFP and authorised in writing by the Commissioner for the purposes of section 15J, issued a certificate authorising a controlled operation to be undertaken.

Period for which the certificate is in force

The certificate was issued for the period commencing on the date of issue until 29 May 2002.

Previous application/s

Nil

Grounds for issue of certificate

On the information provided to the authorising officer he considered that:

- the person or persons targeted by the controlled operation had committed an offence of possession against section 233B(1)(ca) of the *Customs Act 1901*, whether or not the controlled operation took place;
- this is a serious Commonwealth offence and attracts a maximum penalty of a fine not exceeding \$750,000, or life imprisonment, or both;
- the offence/s the subject of the controlled operation involved the purchase and possession of 10,000 MDMA tablets also known as ecstasy (approximately 3 kg) by an AFP undercover operation;
- conducting a controlled operation would provide police with an opportunity to identify those persons in Australia and/or overseas who were involved in the commission of the offence/s subject of the controlled operation;
- conducting a controlled operation would enable the police to gather direct evidence of the involvement of those person/s; and
- based on previous experience it was likely that, if confronted, the person/s would deny all knowledge.

Conduct of the controlled operation

In May 2002 the AFP Melbourne Office commenced investigating an importation into Australia of a commercial quantity of MDMA. As part of this investigation members of the AFP undertook the following covert activity to facilitate the importation of narcotics into Australia.

An AFP UCO was utilised to conduct negotiations with the imported of the narcotics to purchase 10,000 MDMA tablets and take possession of those tablets.

On 25 May 2002 AFP UCO 10583 met with Frank Erwin Schwarz, a German citizen born 19 April 1978, and obtained a sample of the MDMA tablets. On that date a search warrant was executed and Schwarz was arrested and charged.

Target/s of the controlled operation

Frank Erwin Schwarz, a German citizen born 19 April 1978

Civilian participants

Nil

Law enforcement officers

AFP undercover operative 10583

Illicit goods*Type*

MDMA

Weight/quantity

2,056grams (net)

Current location

A sample of the narcotic goods was sent to the AGAL for analysis. The bulk of the narcotic goods are securely stored at Melbourne Office, Drugs and Property Registry.

Route through which the illicit goods travelled

Frankfurt to Dubai on flight EK42
Dubai to Sydney on flight EK410
Sydney to Melbourne via coach

All movements were made by Schwarz who had possession of the illicit goods at all times.

Persons who had possession of the illicit goods

Frank Erwin Schwarz
Members of the AFP

Additional information

On 2 October 2003 Mr Schwarz was found guilty and sentenced to seven years imprisonment with a non-parole period of five years.

On 28 October 2003 Mr Schwarz lodged an appeal against his conviction and sentence. However the appeal was abandoned and the original sentence stood.