

THE CABINET OFFICE

NEW SOUTH WALES

TCO/09963

The Hon Julie Bishop MP
Chair
Joint Standing Committee on Treaties
Parliament House
Canberra ACT 2600

12 AUG 2002

Dear Ms Bishop

I am writing in response to your letters inviting NSW to comment on various proposed international treaties tabled in the Commonwealth Parliament on 18 and 25 June 2002. NSW appreciates this invitation, and is pleased to make the following comments on these treaties.

In relation to the *Timor Sea Treaty*, NSW supports the development of the Sunrise and Bayu-Undan petroleum and gas fields. In particular, NSW supports the connecting of these fields to the south-east Australian gas markets and the greater economic benefits which will thereby accrue to the people of East Timor and Australia. NSW therefore suggests that Article 8, Paragraph (e) of the *Timor Sea Treaty* be amended as follows:

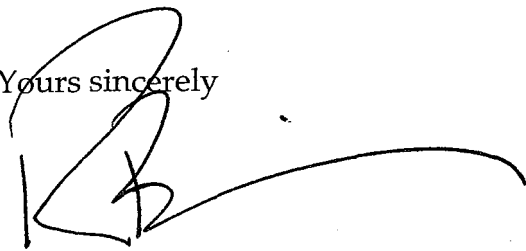
"Neither Australia nor East Timor may object to, nor in any way impede, a proposal to use floating gas to liquids processing and off-take in the JPDA on a commercial basis where such proposal shall produce **greater economic benefits for the people of East Timor and Australia** ~~higher revenues to Australia and East Timor from royalties and taxes earned from activities conducted within the JPDA~~ than would be earned if gas were transported by pipeline."

Concerning the *International Convention for the Suppression of the Financing of Terrorism*, New South Wales notes that the *Suppression of the Financing of Terrorism Bill 2002* creates an offence of 'doing any act in preparation for' a terrorist act and also proscribes 'providing funds' for terrorism. Despite the generality of these sections, NSW would appreciate the Commonwealth ensuring the funding of, or laundering of, money for a terrorist organisation (without being intended to fund a specific act) is proscribed. NSW would also ask that the Commonwealth ensures that 'providing funds' does not exclude money laundering, which is not technically the provision of funds but the concealment of origin.

I am pleased to advise that there are no issues of concern from a NSW perspective in relation to the other treaties referred to in your correspondence.

Should you have any queries, The Cabinet Office contact for this matter is Nazli Munir, Principal Policy Officer, Intergovernmental and Regulatory Reform Branch (telephone 02 9228 4981, e-mail nazli.munir@mail.cabinet.nsw.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to be 'R B Wilkins', with a long horizontal flourish extending to the right.

Roger B Wilkins
Director-General