

**Responses to Questions put to the Commonwealth Scientific
and Industrial Research Organisation by the Senate Environment and
Communications References Committee - inquiry into the Great Barrier Reef
2050 Partnership Program**

Questions dated 14 August 2018

1. The Commonwealth Scientific and Industrial Research Organisation (CSIRO) undertakes a range of research related to coral reefs. Was CSIRO consulted about the five main components of the Partnership? If so, please provide all details.

Consultation did not occur with CSIRO in relation to the Agreement with the Foundation. However, CSIRO staff contributed to the planning of the Reef Restoration and Adaptation Program (RRAP) with officials from the Department of Environment and Energy, the Department of Industry, Innovation and Science and other research organisations over the preceding twelve months.

2. What was the level of funding provided to CSIRO by the Commonwealth for research related to coral reefs over the last three financial years?

2015-16	2016-17	2017-18
\$348,330	\$1,226,248	\$1,531,663

3. What funding has CSIRO received from the Great Barrier Reef Foundation over the last five financial years? Please provide a list of the research projects which were funded and the accountability requirements for the grants.

The Integrated Reform Program (IRP) which commenced in March 2014 resulted in a significant realignment of CSIRO's research projects within the CSIRO account management system (SAP) in July 2014. As a consequence of this, the extraction of information sought in this question for Financial Year 2013-14 would require a significant amount of manual investigation, which has been determined to be an unreasonable diversion of resources. Information related to each of the following Financial Years is provided for this question.

Project Title	2014-15	2015-16	2016-17	2017-18
eReefs	1,971,017	1,830,972	52,500	
Ocean Acidification Buffering Workshop		50,000		
Dispersal Processes (Connie)		61,037		
Future Reef MAPS			246,360	167,095
Ocean Acidification			205,667	
GBRF resilience project			272,482	
Totals	1,971,017	1,942,009	777,009	167,095

Each of the Project Agreements contain performance and financial reporting obligations. The Project Agreement for the eReefs project has, in addition to these reporting obligations, a specific Accountability clause requiring that, “The Project Board will oversee the completion of the eReefs System ensuring delivery to end users in a timely and quality assured manner.” (clause 5.2.1).

Questions dated 15 August 2018

1. What funding has the CSIRO received over the past five years from external partners? How much of that revenue was from (a) other levels of government, (b) private sector and (c) philanthropy or other sources

REVENUE SOURCE	2013–14	2014–15	2015–16	2016–17	2017–18
	(\$m)				
Australian private sector	78.5	69.4	80.1	86.9	84.4
Australian governments	179.3	181.1	147.8	165.6	173.9
Rural industry research and development (R&D) corporations	50.2	38.1	31.7	38.7	42.7
Cooperative Research Centres	14.7	9.5	10.0	12.0	9.1
Overseas entities and international	84.7	81.4	99.3	80.7	93.6
Work in progress/deferred revenue	-13.0	-6.1	-4.0	-9.3	-2.8
Total co-investment, consulting and services	394.4	373.4	364.9	374.7	400.8
Intellectual property (IP)—royalty and licence revenues	29.1	60.8	59.7	51.1	43.2
Total research and services revenue	423.5	434.2	424.7	425.8	444.0
Other external revenue	43.2	44.6	37.8	57.3	55.1
Gain/(loss) on sale of assets	-	0.0	1.2	0.9	0.1
Other fair value gains and reversals	-	6.7	-	-	-
Total external revenue	466.7	485.5	463.7	484.0	499.2
Revenue from government	778.2	745.3	750.3	787.3	793.5
Total revenue	1,244.9	1,230.8	1,214.0	1,271.3	1,292.7
Less expenses	1,270.6	1,245.3	1,261.8	1,292.1	1,352.5
Operating result	-25.7	-14.5	-47.8	-20.8	-59.8

2. What support – both financial and in kind – has the CSIRO provided to the Great Barrier Reef Foundation over the past five years?

	2013-14	2014-15	2015-16	2016-17	2017-18
In-kind project contributions ¹	0 ²	\$1,887,377.89	\$1,929,005	\$543,786	\$226,102
Payments made to the GBRF	\$15,600	\$19,680	\$39,360 ³	\$19,680	\$19,680

Notes: 1. This includes labour, operating, travel, field and equipment costs.

2. As advised above obtaining information for 2013-14 would be an unreasonable diversion of resources.

3. This reflects a change in invoicing by the GBRF from a current year basis to a future year basis, thus invoices for both the 2015-16 and the 2016-17 financial years were paid during this year.

3. What processes does the CSIRO undertake to allocate funding to reef projects? Please provide details, and how this funding is delivered.

Allocation of funding to reef projects conducted by CSIRO is undertaken as part of the process of science investment decisions for the relevant Business Units and involves the allocation of appropriation funding and of the external revenue under relevant contracts and grants. This annual process includes the Business Unit leadership teams confirming appropriation investment into their individual Programs. To guide decision-making the investment process is guided by science criteria, which cover:

- Impact value: The measurable outcomes sought will deliver clear and significant value to Australia’s economy, society and/or environment; and the activity is consistent with CSIRO’s mandate and strategy;
- Customer need / market attractiveness: That there is a clear and feasible path to impact for the research including a receptive, attractive market and demonstrated customer and end user application, demand & value. We can demonstrate the ability to form commercial relationships with customers to support the research, development and extension activities required for impact. We have compelling evidence that we have identified the right science and technical challenges to achieve the impact that are both ambitious and plausibly achievable given available resources;
- Competitiveness: The research area has access to science and technology capability and outputs globally differentiated and competitive in its field. CSIRO is the most appropriate organisation to deliver the goal, and no other organisations are better placed;
- Performance: An evaluation of the current performance of the Business Unit against a suite of performance indicators and external reviews performance;
- Financial attractiveness: An assessment of the prospective financial value return to CSIRO to be created by the research activities, outputs and pathways;
- Financial investment required: The retrospective and prospective whole of life cost to CSIRO of the research, development and extension activities.

Note that these criteria, which are used across CSIRO, provide guidance (rather than being a formulaic decision tree), given that the context behind each Business Unit’s project and partner selection are quite different for different areas of science and different Business Units.