



[REDACTED]
Inquiry Secretary
Parliamentary Joint Committee on Intelligence and Security
Parliament House
Canberra ACT 2600
[REDACTED]

9 April 2021

[REDACTED]
Monash University – response to further questions

I refer to your email of 24 March 2021, following the Parliamentary Joint Committee on Intelligence and Security public hearing conducted on 19 March 2021 at which both myself and Professor Abid Khan, Deputy Vice-Chancellor and Senior Vice-President (Global Engagement) of Monash University gave evidence.

The University's response to the further questions now posed by the Committee as attached to your email, is now submitted.

Yours sincerely,

[REDACTED]
Professor Margaret Gardner AC
President and Vice-Chancellor

Professor Margaret Gardner AC
President and Vice-Chancellor
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Response of Monash University dated 9 April 2021 to the questions sent on behalf of Senator Eric Abetz, received under cover of an email from [REDACTED], Secretary to the Parliamentary Joint Committee on Intelligence and Security on 24 March 2021.

General Statement:

The University refers to the responses made by both Professor Margaret Gardner AC, President and Vice-Chancellor, and Professor Abid Khan, Deputy Vice-Chancellor and Senior Vice-President (Global Engagement) at the hearing of the Committee on 19 March 2021, the opening statement made at the hearing and the University's submission to this Committee (Submission 17). In its answer to these questions, the University refers to, relies on and adopts those responses and does not seek to derogate from that material already provided to the Committee.

The University notes there were no questions on notice taken on 19 March 2021 and consequently, in the University's view, these are fresh questions the University is voluntarily responding to within the nominated timeframe (10 business days).

It is noted that the Committee will take the answers provided by Monash University as a supplementary submission to the Committee. In this respect the University's understanding is that this further response will, under the Parliamentary Privileges Act 1987, attract the same protections of parliamentary privilege as the original submission and evidence given on 19 March 2021.

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Part 1: Questions on Notice

Can each university provide material evidence of:

1. What Foreign Interference tools do they have in place and when were they developed?

The University has introduced structures, processes and practices over a period of several years to guard against the possibility of foreign interference in its activities. In broad terms, these include strengthened governance processes, deeper due diligence, enhanced cyber security frameworks and ongoing communication and education to reinforce compliance requirements.

These are extensively detailed in the University's written submission to this Inquiry¹, and further commented on in the opening statement given by the University's President and Vice-Chancellor Professor Margaret Gardner AC at the Committee hearing on 19 March 2021, and responses made by both Professor Gardner and Professor Abid Khan, Deputy Vice-Chancellor and Senior Vice-President (Global Engagement) at that hearing.

These tools have been adjusted as appropriate to conform with current laws and to reflect national and sector awareness of potential foreign interference risk.

2. What business processes do they use in the implementation of those tools?

The business processes used to implement these various structures, processes and practices include the following:

- (a) Conflict of Interest Policy and procedures,
- (b) Paid Outside Work Procedures
- (c) Philanthropic Gifts Policy and related Gifts, Benefits and Hospitality Procedure
- (d) Restriction on authority to enter into agreements to appropriate senior staff after appropriate investigation and consideration.

This issue is more extensively dealt with in the University's submission to this Inquiry, and in the Vice-Chancellor's opening statement to the hearing on 19 March 2021.

3. What criteria do they use to assess an engagement with a foreign entity and identify the risks?

The University considers various factors to assess possible engagement with an entity located outside Australia and to identify the potential risk of foreign interference, including the following:

- (a) The identity of the counterparty to the proposed arrangement
- (b) The reputation of the counterparty in the international community
- (c) The counterparty's country of origin, place of business or operation, ownership and governance

¹ Submission filed by Monash University (Submission 17), pages 1-3

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- (d) Whether the entity or its officers have any political affiliations and/or connections with foreign government(s)
- (e) The financial background of the entity
- (f) The source of funding for the proposed engagement
- (g) The substance or topic of the proposed engagement
- (h) Other parties involved other than the University and the counterparty.

These factors are in addition to the University's Risk Assessment Guidelines and Due Diligence Risk Assessment Guidance which apply to all arrangements entered into by the University.

4. What is their definition of non-mitigatable risk?

The University considers a non-mitigable risk is a risk that cannot be eliminated or reduced to a level which both satisfies the risk assessment response set out in question 3 above and complies with its legal obligations.

5. How many engagements have they reviewed and when did they start with the review?

Since approximately 2018, it is estimated the University has reviewed 1120 potential engagements with entities based outside Australia. These include research collaborations, staff exchanges, student exchanges and Memorandums of Understanding for academic collaboration.

6. Were any cases reviewed prior to the tools mentioned above being developed/implemented? If so, how?

Many of the tools (structures, processes, and practices) to monitor and manage perceived national security risk have been in place for several years; this is detailed in the response to Question 1 above and in the University's submissions², opening statement and evidence, the contents of which University hereby refers to, relies on and adopts.

Prior to the implementation of these measures, at least back to 1998, the University has as a matter of practice, engaged with the Federal Government (particularly the Department of Foreign Affairs, and the diplomatic and consular network) in any proposed establishment of presences overseas or significant engagement with foreign entities. Further, for many years the University has ensured that any proposed agreement with a foreign entity was reviewed by the University's legal office and appropriate senior staff.

7. How many new engagements have been rejected, when and on what basis?

Proposed engagements can be 'rejected' or not proceeded with at any stage before they reach the University's formal approval processes.

However, in the last year the University at senior management level at final approval stages has rejected or discontinued four proposals. These proposed arrangements were rejected or not proceeded with on the basis that they did not meet the University's due diligence or risk assessment requirements.

² Submission filed by Monash University (Submission 17), pages 1-3

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8. What risks or irregularities with previous/ongoing engagements have been identified?

The University recognises the risk of foreign interference activity against Australia's interests in a range of sectors in Australian society, including the higher education and research sectors, as referenced in the UFIT Guidelines³. The University manages these risks by adopting a proactive and proportionate approach to the threat of foreign interference in order to protect its institutional autonomy, reputation and academic freedoms while also promoting and benefitting from international collaborative research endeavours, the free exchange of ideas and the development of knowledge. This position is reflected in the University's Submission⁴.

The University has not identified any such irregularities with previous or ongoing engagements.

9. How did the institution address the risks?

The University addressed the risks identified in question 8 above by following the processes referred to in question 1 and which are detailed in the University's submissions⁵, opening statement and evidence.

10. Have they found any irregularities in previous/ongoing engagements that may create a conflict with federal funding provisions?

The University has not identified any such irregularities.

11. Did the development of an internal FI framework also prompt a review of existing internal conflict of interest policies?

The University has a requirement to regularly review its policies and procedures to ensure their currency and appropriateness. This schedule, together with the increased focus on potential foreign interference in the higher education sector, has resulted in the University currently reviewing its conflict of interest policies and practices.

12. What steps have they taken to prevent IP theft?

The University protects theft of its Intellectual Property by the following measures:

- (a) Ownership and use of intellectual property by staff and students are strictly regulated⁶
- (b) The University's employment contracts require staff to comply with its regulations regarding ownership and use of intellectual property and also require staff to notify the University of any Intellectual Property that has been created which has the potential to be commercialised
- (c) Enforcement of its legal rights in the event of infringement
- (d) Inclusion of robust provisions in its legal agreements to protect its intellectual property through strict ownership and licensing provisions

³ UFIT Guidelines, page 6

⁴ Submission filed by Monash University (Submission 17), page 1

⁵ Submission filed by Monash University (Submission 17), pages 1-3

⁶ Monash University (Vice-Chancellor) Regulations, Part 5

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- (e) Monash University staff, who are recipients of research funding, are required to undertake mandatory training on the Responsible Conduct of Research which includes content on data ownership, protection and sharing and covers Intellectual Property
- (f) Strict adherence to relevant provisions and rules of Federal Government funding bodies – for example, those of the Australian Research Council
- (g) Data handling/management/protection measures - The University has in place robust data management processes. From a cyber security perspective, Monash University bases its organisational control approach on the globally recognised NIST Cyber Security Framework (CSF). In addition, two Monash University research platforms have achieved certification to the ISO 27001 information security standard, with one of these holding the certification for 8 consecutive years.

13. Is there a central repository/register of institutional IP?

All registrable Monash Intellectual Property is collected and managed through a central database, that records information on invention disclosures, and any Intellectual Property that is registered from those disclosures.

14. Do they have a mandatory storage/access/sharing of research materials that belong to sensitive subject matters in a system-based repository server that creates an audit trail?

Yes. Monash University's data management policy directs researchers to consider how electronic research materials are to be stored. Sensitive electronic research materials are stored electronically in 'safe havens' with supporting secure transfer options. An audit trail is created which records access and modification of stored data and enables sensitive research data to be collected, stored, managed and accessed securely.

The University has achieved ISO 27001 certification (a globally recognised standard for information security) providing external validation of the rigour of information security controls in place. Monash University adheres to the globally recognised NIST Cyber Security Framework (CSF).

Its commitment to Cyber Security is outlined in its submissions to the Inquiry.⁷

⁷ Submission filed by Monash University (Submission 17), pages 2-3

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Part 2: Responses to Questions headed 'Monash University'

- 1. Question: Can Professor Gardner, provide information on his long long-term engagement in the Monash-COMAC collaborative project and what the project involves? Was he engaged in this PRC aviation endeavour even from his days at RMIT? All up, how long has that association been?**

Professor Margaret Gardner AC was the Vice-Chancellor of RMIT and is presently the President and Vice-Chancellor of Monash University. Both institutions have expertise in aviation and related technology which attract international corporations, including COMAC, to work with them. Professor Gardner's involvement with COMAC has been through her role as Vice-Chancellor of both institutions; she has had no personal or prior relationship with that entity, and no personal or ongoing communication with it. To the best of Professor Gardner's knowledge, there is no connection between the research involvement of RMIT with COMAC, and the present research engagement of Monash University with COMAC.

- 2. Question: Is it true that a China-backed Aeronautical Research Centre will also be established at the Monash Technology Precinct in Clayton?**

There was discussion between the University and COMAC about the establishment of a virtual COMAC Monash Technology Centre. Those discussions have not resulted in the establishment of such a Centre.

- 3. Question: Is the University aware of the intimate links between COMAC and the PLA Air Force? Did you know that COMAC was this year named by US Department of Defence as CCP military company? Did the university know that in August 2017, after serving with COMAC, Jin Zhuang-long was promoted to deputy head of the office of the new Central Commission for Integrated Military and Civilian Development?**

The University is aware of that the US Department of Defence has recently named COMAC as a CCP military company, and is aware of the following allegations in relation to COMAC:

- (a) There is a link between COMAC and the PLA Air Force;
- (b) After serving with COMAC, Jin Zhuang-long was promoted to deputy head of the office of the Central Commission for Integrated Military and Civilian Development in August 2017.

- 4. Question: Is the University concerned about claims that COMAC has stolen blueprints for its aircraft from Western competitors? If so, what remediated action is being taken?**

The University has no knowledge of any substantiated claims to this effect.

Security concerns regarding the University's relationship with COMAC have not been raised with the University by federal government agencies notwithstanding that:

- (a) The University discussed its relationship with COMAC with the Victorian and Federal governments at the time that it proposed entering a Memorandum of Understanding with COMAC in 2019. At that time, neither the Victorian or Federal governments objected to the arrangement proceeding.
- (b) Advice was sought from Defence Export Controls in October and November 2019.

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5. **Question: Does Monash know that Wu Xinhua Pro-Vice Chancellor of Monash Uni organised in August 2019, the First China (International) Aerospace Additive Manufacturing Structural Optimization Competition with AVIC (PLA)-tied Aero Engine Corporation of China, which also involved Huang Aijun 黄爱军 of Materials Science & Engineering at Monash Uni?**

The University notes that the public webpage of the Shanghai Additive Manufacturing Association lists Professor Xinhua Wu and Aijun Huang as involved in the Committee. The University has no independent knowledge of this and understands that neither Professor Wu or Professor Huang were involved with that Competition, contrary to the webpage reference.

6. **Question: Does Monash know that Huang Aijun of Materials Science & Engineering at Monash Uni also heads the School of Materials Sciences and Engineering at University of Shanghai for Science and Technology, & is intimately tied with Baosteel?**

While the University notes that Professor Aijun Huang is listed on a Chinese website (Baidu) (akin to Wikipedia) as the Head of the School of Material Sciences and Engineering at the University of Shanghai for Science and Technology, that University's website does not list him as part of the School's leadership team. The University understands that Professor Huang was offered the position of interim head of the School but declined the offer.

The University is aware that Professor Huang was employed at Baosteel prior to commencing at Monash University. The University notes that many Australian researchers have connections with Baosteel through the Baosteel-Australia Joint Research and Development Centre, of which Monash University and a number of other Australian Universities are members. The University is aware that Professor Huang is involved in some of those joint projects.

7. **Question: Does Monash know that Wu Xinhua Pro-Vice Chancellor of Monash Uni who heads the Australian SIEF Aero Engine Research Project and is key in the Monash-COMAC tie-up, is also a visiting professor at PLA-tied Huazhong University of Science & Technology?**

The University is aware that prior to her appointment at Monash University, while employed by the University of Birmingham, Professor Xinhua Wu previously held a role as a visiting professor at Huazhong University of Science and Technology. That role did not continue after Professor Wu commenced employment at Monash University.

8. **Question: Does Monash know that Monash PVC Wu Xinhua has assigned patent rights to her companies in China Falcontech, Huatai 3D and Ampro Innovations etc while working at Monash?**

Intellectual property developed at the University can only be assigned in accordance with the University's strict intellectual property practices. Monash University is not aware of any assignment of Monash University owned intellectual property involving these entities.

9. **Question: Does Monash know that Wu Xinhua, Pro-Vice Chancellor of Monash University, was a professor under the 8th tranche of the PRC Ministry of Education's Changjiang Scholar Reward and Encouragement program?**

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Yes. The University understands that Professor Wu's involvement with this program relates to her past visiting role at Huazhong University of Science & Technology (referenced here at Question 7). Neither involvement is current.

10. Question: What is the final aim of the Australian SIEF Aero Engine Research Project headed by Wu Xinhua another Pro-Vice Chancellor of Monash Uni? Is it to provide jet engines to China?

The Project aims and report of the Australian SIEF Aero Engine Research Project are publicly available online at the organisation's website. To the University's knowledge, the sole aim of the project was to determine whether it is possible to 3D print a small jet engine (a small copy of an existing design) using Monash's 3D printing approaches.

11. Question: Does Monash know that Wu Xin-hua and Yu Ai-bing, both Pro Vice Chancellors at Monash University, have been appointed to head the International Laboratory of Additive Materials Manufacturing in the University of Shanghai for Science and Technology. And that RMIT professor Gu Min 顾敏, key figure in united front body FOCSA (Federation of Chinese Scholars in Australia) is now Executive Chancellor at University of Shanghai for Science and Technology? Are there any concerns about this? If not, why not?

The University has no knowledge of Professor Wu and Professor Yu being appointed to head the International Laboratory of Additive Materials Manufacturing in the University of Shanghai for Science and Technology. It is the University's understanding that this has not occurred; therefore the University has no concerns from this perspective.

The University cannot comment on the position of a member of academic staff of RMIT.

12. Question: In 2019, there were further tie-ups signed between Monash, COMAC and Beihang University. Did the university know that Beihang has intimate ties with the PLA Air Force?

The University is generally aware that there are allegations that Beihang University has a strong relationship with the Chinese defence industry and the Chinese government.

13. Question: Monash Pro Vice Chancellor YU Ai-bing also heads the Monash Suzhou campus. Does the university have any concerns about a person from the PRC, closely tied with united front academic bodies such as the Federation of Chinese Scholars in Australia, running the university's operations in China? Is there any danger of complicity in PRC endeavours?

Professor Aibing Yu is an Australian citizen. He is a highly regarded scientist and distinguished academic whose PhD was undertaken in Australia, and who has significant experience in Australia and China. These attributes make him a most suitable candidate for the role as the Pro-Vice Chancellor of the Monash Suzhou campus. It would be expected that in his role as the Pro Vice-Chancellor and President – Suzhou and in the interests of scientific and academic exchange, Professor Yu would establish ties and connections with government, business and academia in both countries and beyond. On this basis, and having regard to the structures, processes and practices that the University has in place to guard against the possibility of foreign interference in its offshore activities (and which are set out in its answer in Question 1 of Part 1) the University considers that it

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has sufficient safeguards in place to address any risk of complicity or foreign interference across all its international campuses.

- 14. Question: Does Monash know that Monash University PVC Yu Ai-bing co-leads China-Australia International Research Institute for Resources, Energy, Environment and Materials under the Jiangxi University of Science and Technology, as well as the International Research Institute for Minerals, Metallurgy and Materials at Jiangxi University of Science and Technology? Is this appropriate?**

The University is aware that Professor Aibing Yu was the founding director of the Australia-China Joint Research Centre for Minerals, Metallurgy and Materials. It was opened in 2013 by the then Prime Minister of Australia, the Hon. Julia Gillard. It was one of the first of six Australia-China joint research centres sponsored between 2013-2015 by the Australian Government. In the circumstances, the University has no reason to consider that Professor Yu's appointment was inappropriate.

- 15. Question: Does Monash University know PVC Yu Ai-bing 余艾冰 and Jiangxi University colleagues last year visited Nanchang Hangkong University "designated high risk for its close relationship to the defence industry and high level of defence research."?**

The University understands that a short visit did occur. The University makes no comment regarding the description attributed to Nanchang Hangkong University.

- 16. Question: Does Monash know that Xi'an University of Architecture and Technology has established a named workshop for Monash University's PVC Yu Ai-bing? Are you aware of the significance of such an event?**

The University is aware that Professor Aibing Yu is affiliated with Xi'an University of Architecture and Technology and that an office/laboratory was named after him. It is the University's understanding that naming of facilities after distinguished academics is common practice in some overseas jurisdictions, including China.

- 17. Question: Does Monash University know that its Pro Vice-Chancellor and President of Suzhou campus Professor Yu Ai-bing 余艾冰 serves as a united front figure as Honorary President of the Fifth Committee of the Jiangsu Provincial Overseas Exchange Association? Is this appropriate?**

The University is aware that Professor Aibing Yu holds the position of Honorary President of the Jiangsu Provincial Overseas Exchange Association. As a distinguished academic, it is appropriate for Professor Yu to hold a number of honorary positions with a number of different institutions in many different countries.

- 18. Question: Does Monash know that Yu Aibing 余艾冰 of Monash University has also been appointed to China's Southwest Petroleum University. Also, that in October 2017, Yu Aibing, was noted as Professor in the Department of Thermal Energy Engineering, College of Energy and Environment of Southeast University, and was elected as fellow of Chinese Academy of Engineering?**

- (a) The University is aware of Professor Aibing Yu's adjunct appointment to China's Southwest Petroleum University. Professor Yu's field is particle and process engineering.

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- (b) The University is aware that Professor Yu was appointed as an honorary/adjunct professor at the Department of Thermal Energy Engineering, College of Energy and Environment of Southeast University.
- (c) The University is aware that Professor Yu was elected as a Foreign Academician of the Chinese Academy of Engineering. The University notes that this is a matter of public knowledge.

19. Question: Does Monash know that 32% of Yu Ai-bing's Chinese patents have been assigned to Longking, a Fujian company in which Yu Ai-bing has an interest? Some 24% of the inventions in which Yu Ai-bing has been involved have been assigned to the PRC's JITRI Institute for Process Modelling and Optimization, and a further 16% of the inventions in which Yu Ai-bing was involved were assigned to Jiangsu Fasten Group Co., Ltd. All, this while being funded by the Australian taxpayers as a PVC of Monash University and head of its Suzhou campus?

Intellectual property developed at the University can only be assigned in accordance with the University's strict intellectual property practices. Monash University is not aware of any assignment of Monash University owned intellectual property involving these entities.

The University notes that Professor Yu's research is funded from a number of different sources.

20. Question: Does Monash know that the first meeting of the first Council of the PRC's Institute of Industrial Process Modelling and Optimization under Jiangsu Institute of Industrial Technology was chaired by Yu Ai-bing?

The University is aware that the first meeting of the Council of the Institute of Industrial Process Modelling and Optimization under Jiangsu Institute of Industrial Technology was chaired by Professor Aibing Yu.

21. Question: Given his massive engagement with Chinese institutions, how does Monash University PVC Yu Ai-bing effectively run the Suzhou campus of Monash University in a way which benefits Monash University and Australia?

Having regard to Professor Aibing Yu's distinguished academic career and connections in Australia and internationally, he is well equipped to run the Suzhou campus of Monash University in a way which benefits Monash University and Australia. His activities are overseen directly by Professor Margaret Gardner AC, the President and Vice-Chancellor of the University. The University's governance structure and the significant levels of scrutiny that are in place ensure that the actions funded and delivered through the Monash Suzhou campus provide significant benefits to Monash University and Australia.

22. Question: Do you know why the China-Australia Advanced Materials and Manufacturing Forum held in Suzhou 25-26 Oct 2017 featured only Chinese scholars from Monash Uni? Does such ethnocentric arrangements spell problems for the university or Australia?

The ethnic composition of meeting attendees is not a matter monitored by the University. It is noted that a number of the attendees from Monash University at that Forum were Australian citizens or permanent residents.

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23. Question: Some 5 or 6 Monash scholars were named as Thousand Talents scholars in the Australian expose last year. Do you have any comments or responses on that?

The University is aware of the Thousand Talents Plan. The University requires all staff to disclose all external funding, employment, activity or research. It also has strict guidelines concerning protection of intellectual property at Monash.

The University also notes that a reference in the media about inclusion in such a program is not necessarily accurate, and that in the case of one such reference made in the Australian, that reference was erroneous and was later retracted by the publisher.

24. Question: In 2018, Monash University's Assoc Prof Bao Qiaoliang was appointed as the ARC Centre of Excellence in Future Low-Energy Electronics Technologies 2018 ANFF-VIC Technology Fellow -- a champion of Australian nanotech. Then suddenly he was gone, he had left Australia and his team had disbanded. During his time at Monash, his patents were assigned to Chinese institutions -- Suzhou University, Shenzhen University and his company Nantong Lannuo Photoelectric Technology Co. What happened in the case of Professor Bao?

Professor Qiaoliang Bao worked at Monash University between 2012 and 2019, at which point his employment ended. The three patents referred to in this question relate to work undertaken prior to joining Monash University. The work that is the subject of the patents did not stem from research undertaken at Monash University.
