

ATTENTION: Committee Secretary, Parliamentary Joint Committee on Intelligence and Security
SENDER: Professor Margaret Gardner AC – President and Vice-Chancellor, Monash University
SUBJECT: Inquiry into national security risks affecting the Australian higher education and research sector

EXECUTIVE SUMMARY

Monash University welcomes the opportunity to make a submission to the Parliamentary Joint Committee on Intelligence and Security's (the Committee) inquiry into the national security risks affecting the Australian higher education and research sector.

Enabling Australia's economic and social prosperity requires the nation's higher education and research sector to engage in sustained collaboration with the world, to derive local benefit from global innovation, harness distinct technologies and capabilities, and collaborate on shared challenges. Since its inception Monash University has sought to *undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the well-being of the Victorian, Australian and international communities*¹.

In fulfilling its mission to serve the national interest, Monash shares with Government an ambition to proactively manage and guard against security risks affecting the Australian higher education and research sector. Consequently, this submission will highlight the following matters for Committee consideration:

1. **Monash University's framework to guard against foreign interference and other security risks, which are aligned to the Guidelines to counter foreign interference in the Australian university sector developed by the University Foreign Interference Taskforce (UFIT).**
2. **The mechanism and value of effective international collaborations to advancing Australia's prosperity, soft power and differentiating these collaborations from foreign interference.**
3. **Considering the implications of fragmented accountability and coordination of international activities undertaken by Australian universities on the impact and quality of Australian research and higher education.**

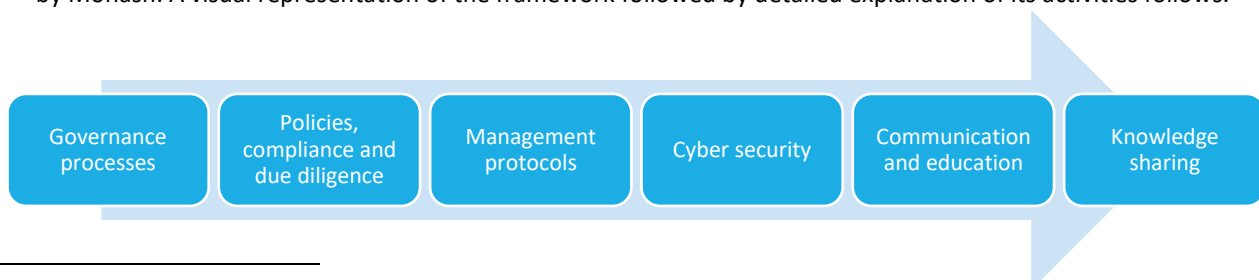
Across all education and research activities, Monash aspires to maximise value for Australian society while minimising, and wherever possible, eliminating risks that may compromise national security.

However, Monash is concerned at the increasing and overlapping policy interventions in relation to the international activities of Australian universities and wishes to advocate in the strongest possible terms that the **Australian Government consider an evidence-based, coordinated, and proportionate approach to managing the risk of foreign interference**, while enabling the nation's higher education and research sector to deliver lasting benefit for Australian society.

MAXIMISING VALUE FOR AUSTRALIAN SOCIETY WHILE MINIMISING THREATS TO SECURITY

1. MONASH'S FRAMEWORK TO GUARD AGAINST SECURITY RISKS

- Monash's comprehensive framework to identify and manage security risks is aligned to the UFIT *Guidelines to counter foreign interference in the Australian university sector*. This framework also supports existing government and legislative controls, such as the Defence Trade Controls Act, the Foreign Influence Transparency Bill (FITS Bill) and the Autonomous Sanctions Act 2011. This framework comprises six areas of work and is well adapted to the management of the depth and range of international collaborations engaged in by Monash. A visual representation of the framework followed by detailed explanation of its activities follows.



¹ Monash University Act (2009)

- *Governance processes* – Monash has established a **Transparency and Integrity Committee** which reports to the Vice-Chancellor through the University’s Senior Executive team. This Committee monitors Monash’s overall framework to counter potential foreign interference to ensure an integrated, cross-organisational approach, as well as reviewing projects with higher risk exposure to foreign interference risk.
 - i. It recommends changes to policy and practice to guard against security risks and is supported by a Working Group to support consultation across the university and implementation of change as required.
 - ii. Through the Monash Research Office, the University has processes in place to ensure that all research projects comply with the Defence Trade Controls Act.
 - iii. The **University Council and Audit and Risk subcommittee** of Council are regularly briefed on projects with higher risk exposure to foreign interference risks, as well as through routine contractual and financial delegations’ processes.
- *Policies, compliance and due diligence* – Policies/processes in relation to **Conflict of Interest, Paid Outside Work**, and **International Partnership Agreements** have been or are in the process of being reviewed and further strengthened to ensure they reflect current policy on foreign interference. The University’s **Due Diligence Risk Assessment guidance materials** have been recently refined to integrate foreign interference and ensure consistency across the university. Across the University, there is a concerted effort to integrate due diligence into processes to ensure a consistent approach.
 - i. As required, Monash draws on **expert due diligence** undertaken by external advisory firms with detailed knowledge of the legal, financial, regulatory and corporate structures of the relevant country in support of its international projects and programs.
 - ii. The **Monash Research Office** works collaboratively across the institution to ensure implications of sanctions laws, defence trade controls and risk of foreign interference are assessed in research projects.
 - iii. All proposed philanthropic gifts are subject to appropriate due diligence checks as per the **University’s Philanthropic Gifts** policy.
 - iv. Monash’s **IP policy and procedures** confirms the requirement for Monash staff to proactively report disclosures to the University’s designated lead officer for IP oversight.
 - v. All proposed international arrangements are now reviewed for risks by the University’s Global Engagement office. Additional reviews are conducted by the Monash Research Office for research funding agreements, the Office of the Deputy Vice-Chancellor (Enterprise) for commercialisation and contract research / consultancy agreements and the Deputy Vice-Chancellor (Global Engagement) on institution-to-institution MoUs, transnational education agreements, strategic alliances with higher education institutions and other types of education-related agreements (see **Appendix One** for further detail).
- *Management protocols* – Monash has in place, the **Major Opportunities Group**, which operates as a forum to strengthen the development of large, complex and strategic projects early in their development. As part of the operation of this group, feedback on risks of foreign interference and the requirement for due diligence on any aspect of each project is provided as relevant. Projects are referred as necessary to the Transparency and Integrity Committee if they are assessed as higher risk. The Monash Research Office, Risk and Compliance Unit, Office of General Counsel, Deputy Vice-Chancellors, and relevant faculty offices all play a key role in ensuring strong governance.
- *Cybersecurity* – Monash has adopted a globally recognised industry cyber security framework, the **National Institute of Standards and Technology Cybersecurity Framework (NIST CSF)**. An organisation wide assessment using the NIST CSF has been undertaken and used to measure the University’s security maturity.
 - i. Monash holds the **ISO 27001** (information security standard) certification for specific research platforms and supporting infrastructure. Monash has maintained this certification for eight consecutive years.

- ii. Monash is also an **active participant in cyber intelligence sharing with both the Government** via the Australian Cyber Security Centre and with industry via various forums including AusCERT and the AHECS Cyber Threat Intelligence Working Group.
- iii. The University has received the highest rating of 'Embedded' under the **Defence Industry Security Program (DISP)**, which requires a high degree of certified cyber security rigour. This is underpinned by a comprehensive **Cyber Security Strategic Plan** (key principles summarised below, and cyber threat modelling approach attached at **Appendix Two**)



- **Communication and Education** – The University is operating to a **communications and education framework** based on the pillars of **awareness** (equipping staff in various capacities with what they need know with relation to the CFI guidelines, Foreign Relations Bill, FITSA and so on), **action** (what they need to do – for example, how to follow process for international agreements) and **advice** (where to seek expert guidance as needed).
 - i. Monash has embedded a comprehensive suite of **mandatory online training** for staff and students, including anti-fraud and corruption, cyber security, research integrity training, conflict of interest and export controls training.
 - ii. Regular **briefings and guidance** have also been provided to institutional and faculty leaders and key faculty and central staff, including Deans and Deputy / Associate Deans, International.
 - iii. **Decision flow charts** have also been developed to guide faculties in identifying projects that have potential foreign interference risks and the escalation pathway to Faculty Executives and the Transparency and Integrity Committee.
- **Knowledge sharing** – The University regularly **seeks proactive guidance** on relevant matters from government officials and agencies, particularly for strategic international engagements of scale or where complexity warrants such interaction. The Monash Research Office regularly **engages with the Department of Defence** on research projects relating to export controls and with the ARC and NHMRC on research integrity matters.
- All research and education activities, collaborations and agreements are underpinned by the **Guidelines to counter foreign interference** in the Australian university sector and is compliant with the **Foreign Influence Transparency Scheme Act**.
- As with other higher education and research organisations, Monash works closely with a **range of Australian Government agencies** including the Department of Home Affairs' National Counter Foreign Interference Coordinator, Department of Education, Australian Security Intelligence Organisation, Australian Signals Directorate, Attorney-General's Department, Department of Defence, Department of Industry, Science, Energy and Resources, through the exchange and provision of advisory and technical support. These links are also bolstered by sector level engagement through the University Foreign Interference Taskforce.
- As related to education and research agreements, keys interactions between Monash University's internal processes and governance structures with government agencies and regulation is summarised at **Appendix One**.

2. THE VALUE OF FOREIGN ENGAGEMENT AND INFLUENCE TO AUSTRALIA’S PROSPERITY

- Monash’s education and research relationships with international partners have **significant local and global impact** across a range of fields including health, advanced manufacturing, artificial intelligence and sustainable development, as well as through the economic and social flows associated with international education.
- As at December 2020, Monash University has in place, **1601 active agreements covering offshore academic partners, industry partners and research grants with at least one international partner involved**. The yearly average of new agreements being assessed ranges between 500 – 600 across all categories involving international partners. Monash leverages these global links and funding at scale to deliver innovations for the world, while benefiting Australian society at the same time.

Case Study 1: International Collaboration involving foreign government funding

For example, more than 19,000 people in the US and Australia participated in a major clinical research study **ASPREE (ASPIrin in Reducing Events in the Elderly)**, undertaken across both countries, with \$100m support from the US National Institutes of Health and the National Health and Medical Research Council. The ASPREE study was conducted to determine whether daily low-dose aspirin prolonged good health by preventing or delaying age-related illness such as cardiovascular disease, dementia, depression and certain cancers in the healthy elderly. The Berman Center for Outcomes and Clinical Research-Hennepin Healthcare Research Institute (formerly Minneapolis Medical Research Foundation) was the US partner.

Results showed that low dose (100mg) aspirin did not prolong life free of disability, or significantly reduce the risk of a first heart attack or stroke in healthy people aged 70 plus, over the duration of the trial. Within 12 months of its completion, the study led to a substantial change in major treatment guidelines affecting millions of individuals internationally.

ASPREE is the largest primary prevention aspirin study ever undertaken in healthy people aged over 70 years and the first to weigh the benefits versus the risks. The majority of the participants were from Australia. A follow up study ASPREE XT is now underway. The study has led to a range of international partnerships, including with Harvard, Columbia, Wake Forest, Pittsburgh and a range of other leading US and European universities.

- Monash has continued to grow the volume and diversity of its international collaborators. In 2019, the University **received \$93.6m in international income to support significant research and education activity**. Of the top source countries, the US (primarily through the National Institute of Health) continues to be the most significant collaborator followed by the UK (through bodies such as the Wellcome Trust). Tables One and Two summarise the University’s performance between 2014 and 2019.

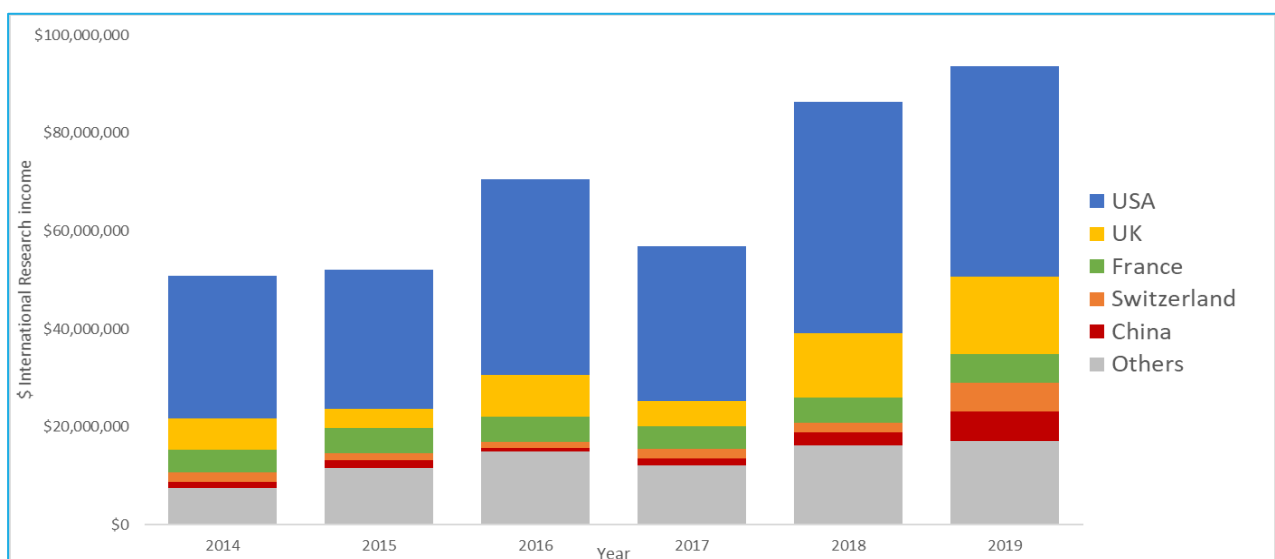


Table One: International research income received by Monash University between 2014 and 2019

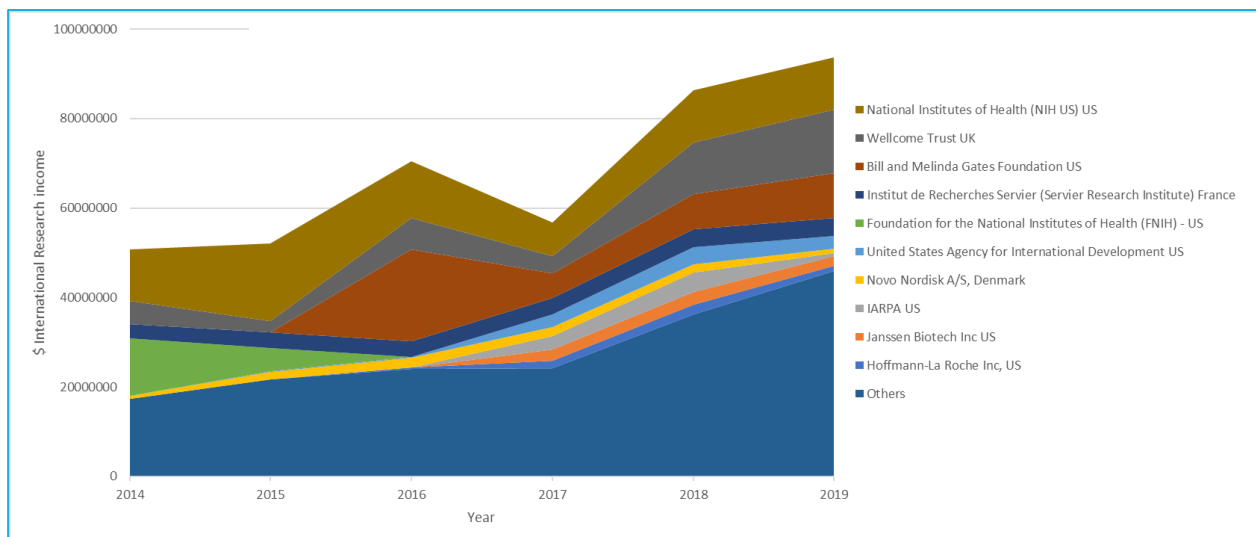


Table Two: Top 10 international funders for Monash University's research activity between 2014 and 2019

- Further, international research collaborations are vital to advancing Australia's soft power, particularly within the region and in **positively influencing shared development agendas**.

Case Study 2: *International research collaboration with multiple foreign governments and other partners*

Led by Monash University through its Sustainable Development Institute and also funded by the Wellcome Trust and the Asian Development Bank, the \$60m **Revitalising Informal Settlements and their Environments (RISE)** program continues to achieve remarkable success in its mission to transform human, environmental and ecological health in informal settlements across the world.

Partners in this project include Stanford University and Emory University in the US, the University of Melbourne, as well as in-country partner universities of Hasanuddin University (Indonesia), Fiji National University and the University of the South Pacific (Fiji). The global RISE team has now expanded to 170 staff across nine countries, and in 2019 three new partners – **the United Nations Human Settlements Programme, the Australian Department of Foreign Affairs and Trade, and the New Zealand Ministry of Foreign Affairs and Trade** – were added, and more than \$9 million in new funding was secured.

Six Monash faculties are involved in RISE including the Faculty of Art, Design and Architecture; Faculty of Medicine, Nursing and Health Sciences, Faculty of Science, Faculty of Business and Economics, Faculty of Engineering and the Faculty of Law.

Work to design and build water-sensitive infrastructure with Indonesian communities is underway. In February 2020, New Zealand Prime Minister the Rt Hon Jacinta Ardern, launched into our RISE program, construction works to improve water and sanitation for more than 3,000 people living in informal settlements in Fiji.

Case Study 3: *Export of services from Monash to foreign countries*

Monash has for more than a decade supported capacity development in the **Middle-East and North Africa (MENA) region via successful curriculum licensing**. Areas licensed include medicine and health sciences, primary and allied health, clinical health, pharmacy, and information and communication technology. Monash has worked with partner institutions in the United Arab Emirates (UAE), Bahrain and Saudi Arabia. The licensing is often supplemented with services training, curriculum contextualisation, curriculum review and project support. This **work supports wider relationships including research collaborations and student recruitment**. More broadly, this export of Australian services positions and promotes Australian capability in the region.

- These case studies underscore the important role played by Australian universities **to produce knowledge and disseminate innovation in global as well as the local arenas**. Cultural competence education, student and staff mobility exchanges, and other knowledge exchange activities are also key to projecting the influence of Australia, delivering many benefits to Australian society. For example, international students who learn in Australia for the duration of their degree, experience a rich society, its diversity and robustness of debates. They return to their home countries with deep perspectives and a positive regard for Australia.
- Moreover, the capability for Australia's next generation manufacturing and in other key fields will hinge on a University sector that continues to engage in the creation of knowledge globally that will power the next major advances. These international activities highlight the world-leading excellence of **Australia's higher education and research sector as a desired partner** across many countries and contexts. Through the University's sustained work with the Indian Institute of Technology, Bombay, Monash is now deeply networked into the high-end, highly reputed R&D Indian ecosystem, facilitating two-way exchanges in skills and expertise.
- These international collaborations are all forms of foreign influence that build international regard for capabilities that reside in the Australian higher education systems – and through this – the nation more broadly. Knowledge and perspectives are exchanged, which gives rise to new ideas and innovations. In undertaking these activities, Monash does not purport to speak for the Australian Government - it is providing Australian ideas, expertise and services to these international collaborations and projects.
- Australian higher education and research organisations need to be able to **engage confidently internationally**, projecting their strengths and capabilities, within a coherent policy framework where the diplomatic, trade and security interests of Australia are understood.

3. RECENT POLICY DEVELOPMENTS RISK CONSTRAINING NATIONAL COMPETITIVENESS AND COLLABORATIONS

- In recent times, legitimate foreign engagement and **influence activities have been mischaracterised** by some as foreign interference, often without credible evidence. These narratives have become intertwined with current geopolitical dynamics and appear to have **given rise to an increased number of legislative and policy approaches across government that affect Australian universities**.
- For example, **the Australian Foreign Relations (Territory and State Arrangements) Bill** was introduced without prior consultation with universities and overlaps the extensive work engaged in by UFIT. This has created new uncertainties and regulatory challenges for universities. Through the powers afforded to the Foreign Minister to veto current and prospective agreements, **the Bill represents uncharted intervention into universities in Australia**, undermining the ability of these institutions as independent, statutory bodies to pursue education and research objectives in the multiple and often multi-party research projects and education arrangements that are critical to high quality work. Excellence at the highest international standards of research and education depends on strong, continuing and multiple engagements with universities, research institutes, funding and government agencies as well as industry and not-for-profit in other nations.
- At the same time, the Government is seeking to further regulate critical infrastructure by casting a wide net over all university facilities and campuses through its proposed **National Critical Infrastructure legislation**. Again, this legislation has been introduced without the consultation that would assist in narrowing its scope to the areas that serve the purpose of the legislation.
- The **Australian Research Council's recent measures to monitor and investigate researchers' foreign associations**, as well as the Education Minister's holding back of 18 Discovery Project grants pending security agencies' advice, has created further uncertainty. These interventions are over and above the established processes in place to ensure that projects are assessed and reviewed for security risks.
- The cumulative impact of these interventions risks positioning the Australian higher education and research sector **as an unreliable partner on the global stage** and therefore **constraining the sector's ability to deliver world class research and education for the benefit of Australia**. It risks undermining the highly robust,

structured processes that are already in place to govern the thousands of relationships and agreements that are in place between Australian higher education and research organisations and international partners.

- These measures have also created a **climate of fear among academics** who are engaged in international research activity, stalling and in some instances, stopping important collaborations. Some academics, including those at Monash, are expressing reluctance to engage in overseas collaborations for fear that this work will be suspended. The importance of Government support for the international activities undertaken by the higher education and research sector is crucial to restoring confidence in institutions and among the research community to build and maintain the long-standing collaborations on which high quality outcomes are based.
- Interventions such as the Australian Foreign Relations (Territory and State Arrangements) Bill **cut across the responsive and thoughtful progress that has been achieved through UFIT**. Where UFIT has taken a proactive effort to understanding and responding to the shifting dynamics of international collaborations and issuing guidelines accordingly, the Foreign Relations Bill introduces uncertainty and instability.
- Given the multi-country, multi-partner nature of international collaborations, **these processes add another unnecessary layer of complexity and regulatory burden**, all without a well-defined purpose and scope of legislation and duplicating existing government approval processes.

EVIDENCE-BASED, COORDINATED AND PROPORTIONATE APPROACH TO MANAGING RISK

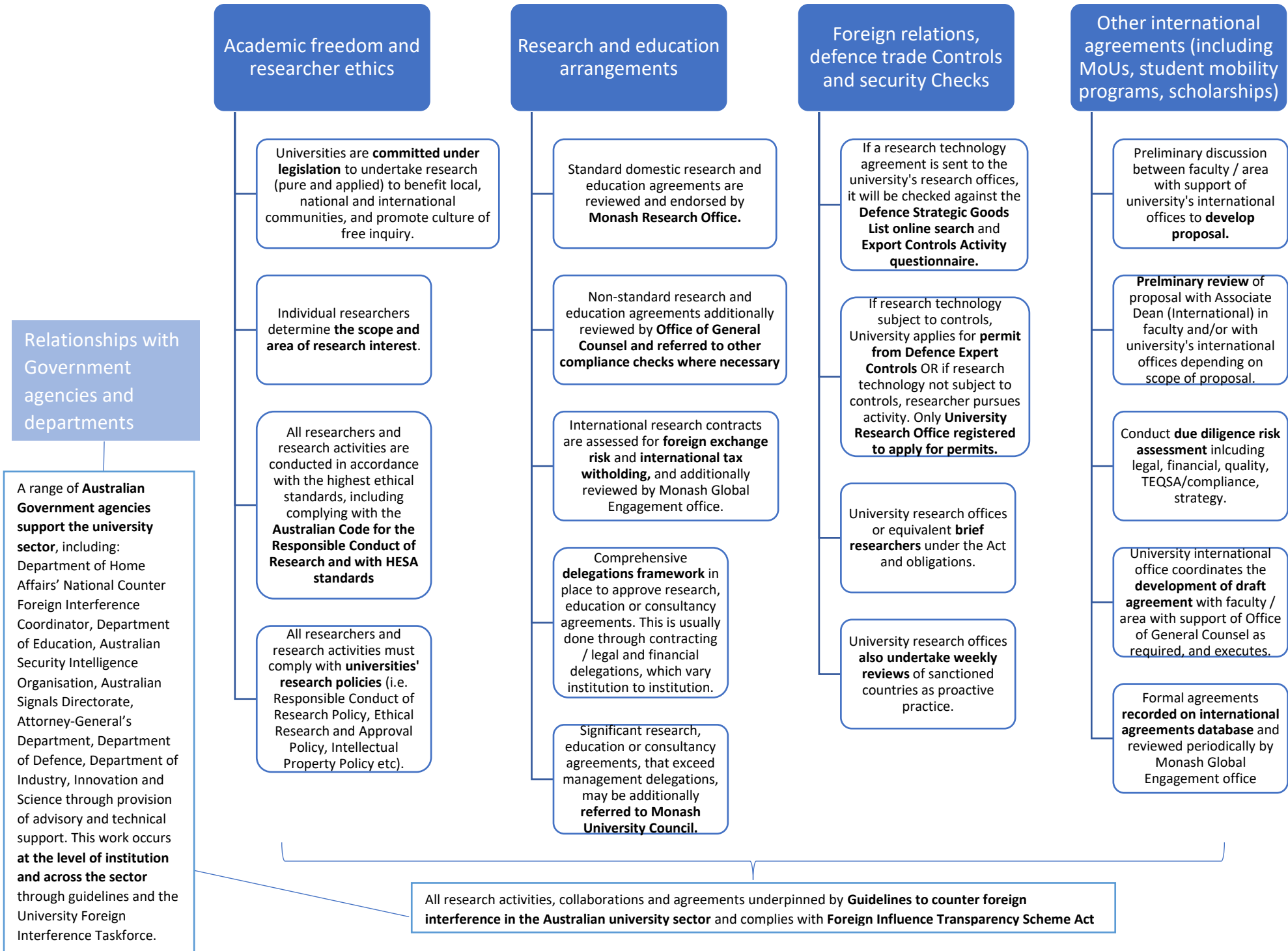
The Commonwealth Government has a paramount responsibility to preserve national security and advance Australia's interests on the global stage. This is a role that is understood and supported by Monash University and indeed, Australia's higher education and research sector at large.

However, as this submission highlights, in the name of security, Australia may inadvertently be undermining its long-term economic and social potential **by creating overlapping and uncertain regulatory contexts for much vital research and education**.

While Monash supports the thorough and robust guidelines to counter foreign interference, as evidenced by the University's full support of the UFIT framework and close working relationship with government agencies, there is **an urgent need for an evidence-based, coordinated and proportionate approach to managing security risks by the Federal Government**.

The Government must exercise its powers and enforce policies in such a way that it does not inadvertently constrain the benefit of education and research that can be yielded by and for Australian society. The prosperity of Australia depends upon an open and globally engaged higher education and research sector.

Appendix One – The below flow chart represents some of the key interactions and decision making bodies involved in Monash’s foreign engagement activities.



Appendix Two - Monash uses the below cyber threat modelling approach to understand the cyber threat scenarios that Monash faces. Regular reevaluation of these scenarios ensures that appropriate and timely mitigations are in place

