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EXCLUSIVE POLITICS FEDERAL RESEARCH

Monash University partners with Chinese state firm linked to industrial espionage

By Fergus Hunter

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Monash University has struck a \$10 million research agreement with a Chinese state-owned aerospace company that was last week linked to a global industrial espionage campaign.

The deal with Commercial Aircraft Corporation of China (COMAC) – to be formally signed in Beijing on Wednesday with Victorian Premier Daniel Andrews as a witness – has prompted fresh warnings about the risks of research collaboration with Chinese entities.



COMAC's flagship C919 plane, its rival to Boeing and Airbus. BLOOMBERG

The partnership will establish a research and development facility in Melbourne and could include work on advanced manufacturing, robotics, artificial intelligence, 3D printing and big data, sources told *The Age* and *The Sydney Morning Herald*.

COMAC, China's rival to the United States' Boeing and Europe's Airbus, has been tied to a major theft of intellectual property involving Beijing's Ministry of State

Security and state-backed hackers.

In a report released last week, leading cyber security firm CrowdStrike said COMAC's newly developed flagship aircraft, the C919, was the beneficiary of technology systematically stolen from global component suppliers in a years-long campaign.

The effort was said to involve a program of cyber-attacks, forced technology transfer and theft by insiders working at the companies. CrowdStrike concluded that China was seeking to "cut corners" in developing its domestic aerospace manufacturing capacity.

The Monash deal attracted a warning from Education Minister Dan Tehan who said "the government expects that Australian universities act lawfully and ethically".

"Our government established a foreign interference taskforce to create best practice guidelines for universities to ensure collaboration with foreign entities are transparent, and in a manner that avoids harm to Australia's interests," Mr Tehan said.

A spokeswoman for Monash University said the partnership was about "sharing the benefits of our world leading research for the advancement and betterment of the world" and providing opportunities to university students and academics.

"Monash provides regular briefings for government and agencies - upon request - at state and federal level on our operations in international locations," the spokeswoman said.

She said the university complied with the Australian Code for the Responsible Conduct of Research and there would be arrangements in place for protecting intellectual property.

A spokesman for Mr Andrews said the Victorian government supported the deal and said it "should help create high-end manufacturing jobs" in the state.

Alex Joske, an analyst with the Australian Strategic Policy Institute, said the alleged industrial espionage campaign raised "serious concerns about the lengths to which the Chinese government is willing to go to support COMAC".

Mr Joske said it was "nearly impossible" to separate civilian and military applications of research with COMAC.

"The Chinese government's policy of military-civil fusion seeks to ensure that the military is able to fully leverage civilian resources, particularly in the aviation sector. COMAC is described by the Chinese government as a defence industry conglomerate," he said.

"There are also specific indications that the PLA hopes to convert COMAC aircraft such as the C919 for use in military missions."

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