



**Australian Government**  
**Australian Security**  
**Intelligence Organisation**

# ASIO submission to the Parliamentary Joint Committee on Intelligence and Security

**Inquiry into National Security Risks affecting the Australian  
Higher Education and Research Sector**

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## ASIO's role in countering espionage and foreign interference

1. ASIO's role is to protect Australia and Australians from threats to their security, including those threats that stem from espionage and foreign interference.
2. Australia's higher education and research sector is one of the sectors at risk in our community. This is because foreign governments are seeking information about Australia's capabilities, including Australian research and technology.
3. This submission outlines the security threat environment, and the national security risks associated with the higher education and research sector. It also outlines ASIO's views on where there might be further scope to improve arrangements, including to better enable ASIO's ability to respond to high-harm activity.

## The security threat environment

4. The threat of espionage and foreign interference by hostile foreign state actors targeting of Australian interests is pervasive and enduring. In recent years, ASIO has observed increased targeting of Australian interests, both in Australia and abroad, through a variety of methods and against an array of sectors.
  - a. ASIO assesses hostile intelligence activity continues to pose a real threat to Australia, our sovereignty and the integrity of our national institutions.
5. Australia is targeted by a number of hostile foreign state actors attempting to:
  - a. gain insights into our international alliances and defence relationships;
  - b. obtain privileged information on our positions on international diplomatic, economic and military issues;
  - c. gain a commercial advantage over Australia;
  - d. access our innovations in science and technology; and
  - e. shape the actions of Australian decision-makers and public opinion in favour of the foreign state.



## Espionage and foreign interference

6. ASIO notes that while the concept of espionage is generally well known, ‘foreign interference’ is commonly misunderstood. ASIO takes its definitions from the *ASIO Act 1979*, as shown in Text Box 1.

### **Text Box 1: Definition of ‘acts of foreign interference’ from the *ASIO Act 1979***

Section 4 of the *ASIO Act 1979* defines ‘acts of foreign interference’ to mean

activities relating to Australia that are carried on by, or on behalf of, are directed or subsidised by or are undertaken in active collaboration with, a foreign power, being activities that:

(a) are clandestine or deceptive and:

(i) are carried on for intelligence purposes;

(ii) are carried on for the purposes of affecting political or governmental processes; or

(iii) are otherwise detrimental to the interests of Australia; or

(b) involve a threat to any person.

7. All foreign states take actions to influence deliberations of strategic importance to their nation. This is a normal part of statecraft when those actions take place in the open. These actions are termed as ‘foreign influence’, and are distinct from foreign interference.
8. Foreign interference is about covertly shaping decision-making to the advantage of a foreign power. Foreign interference involves clandestine, deceptive or threatening activities that undermine Australia’s sovereignty, its values, interests and security. For example:
- Simply voicing support for a particular government or its policies is not, of itself, foreign interference. If that advocacy is secretly directed by a foreign government, however, and is contrary to Australia’s national interest, it crosses the threshold into foreign interference.
  - Protest activity on Australian campuses is a healthy sign of a democratic society. However, if we detected that this activity was secretly being directed by a foreign state, or that members of our community had been coerced to participate or prevented from protesting by a foreign state, then it would cross the threshold into foreign interference.

## Threats to Australia's higher education and research sector

9. In the context of this threat environment, Australia's higher education and research sectors are one of the sectors at risk in our community, given they are at the leading edge of policy, research and scientific development. Their work leads to the development of proprietary and other sensitive information critical to the development of new technologies, medicines, techniques and practices that are fundamental to the future of Australia's economy, military capabilities and security.
10. The open and collaborative nature of our research institutions is the foundation for many of Australia's scientific and technological accomplishments. However, international research partners with differing political, cultural and moral values can seek to exploit this.
  - a. We are aware of researchers and their families who have been threatened, coerced or intimidated by actors seeking to have their sensitive research provided to a foreign state.
  - b. We are aware that some universities have been threatened through financial coercion should critical research continue.
  - c. We are aware of instances where academics have self-censored their course material in order to avoid adverse outcomes such as cuts to foreign funding or threats from individuals who may be linked to a foreign government.
  - d. We are also aware of attempts to steal sensitive Australian intellectual property as part of cyber compromises.
11. The compromise of valuable research, or other sensitive data, can cause significant and long-term damage to Australia through the loss of intellectual property and commercial advantage, along with potential damage to reputation and international standing—damaging Australia's economy and national security. Successful foreign intelligence operations can enable foreign governments to:
  - a. steal and develop a range of new or improved technologies;
  - b. cut the time and cost required to replicate a desired technology;
  - c. gain a commercial advantage in a competitive market; and
  - d. identify, cultivate and recruit individuals for future interference and espionage activities.

## ASIO's role – protecting Australia and Australians from threats to their security

12. ASIO has a clearly defined role in countering espionage and foreign interference, including those threats targeting the higher education and research sector. ASIO works closely with a range of government agencies to help Australia become more resilient to security threats, including by providing advice on the threat environment and potential mitigation strategies. Importantly, when serious threats materialise, ASIO works closely with the affected entity and law enforcement partners to disrupt high-harm activity.
13. ASIO notes that a number of positive initiatives have been introduced in recent years to address the threat of foreign interference, including activity targeting Australia's higher education and research sector. These include:
  - a. the ASIO-led Counter Foreign Interference Task Force which was established in early 2020 to disrupt and deter hostile actors attempting to undermine Australia's national interests through foreign interference and espionage; and
  - b. Government initiatives to help make Australia more resilient to threats of foreign interference. This includes activities conducted directly with the higher education and research sector to help raise awareness of the threat and identify practical mitigation measures. For example, the University Foreign Interference Taskforce, has developed Government guidelines, incorporating ASIO advice, to counter foreign interference in the Australian University Sector by promoting a positive safety and security culture.
14. Separately, ASIO continues to raise awareness of espionage and foreign interference threats. In November 2020, ASIO launched the '*Think Before You Link*' campaign, primarily aimed at Australians with access to sensitive information, including in government, defence, industry and academia. This campaign was designed to help raise awareness of the threat environment, given that foreign spies are targeting individuals through online social and professional networking sites. Importantly, the campaign was not designed to discourage people from collaborating online, but rather to be aware of the type of information they are sharing on-line, and what to do if they suspect they are being targeted.
15. There is scope to further assist the higher education and research sector better manage the risks that relate to their activities by providing information on what areas of research require protection. Developing Government policy that provides the necessary clarity is a complex task. It would however provide higher education and research bodies with the required advice to carefully manage these risks. It would also help operational agencies, like ASIO, prioritise their activities to focus on those threats that carry the greatest potential for harm.

## Balancing national interests

16. It is clearly important to have effective mechanisms in place to be able to respond to threats of espionage and foreign interference. However, these responses need to be carefully balanced with the need to enable Australia's higher education and research sector perform their core role – to educate students and generate innovative research.

17. In ASIO's view, we cannot leave harmful foreign interference unchecked, given the serious nature of the threat and the corrosive impact it can have on our democratic society. However, having effective mechanisms in place to counter foreign interference and espionage does not need to come at the expense of the openness and international collaboration that is a hallmark of the higher education and research sector.