



**Australian Government**  
**National Health and Medical Research Council**



1 April 2021

Committee Secretary  
Parliamentary Joint Committee on Intelligence and Security  
PO Box 6021  
Parliament House  
Canberra ACT 2600

By email:  
[NatSecUni@aph.gov.au](mailto:NatSecUni@aph.gov.au)

Dear Committee Secretary,

**Inquiry into national security risks affecting the Australian higher education and research sector**

As requested, please find enclosed the National Health and Medical Research Council's (NHMRC) submission to the above inquiry being conducted by the Parliamentary Joint Committee on Intelligence and Security.

NHMRC has been following developments in the area of countering foreign interference for some time and has been engaging with relevant departments and agencies across government.

I note that, in the Committee's Public Hearing on Friday 19 March, witnesses representing the Group of Eight universities and Universities Australia suggested that the University Foreign Interference Taskforce (UFIT) could be expanded to include the Australian Research Council and NHMRC. NHMRC would be willing to be involved in the work of UFIT if that was seen as a desirable evolution of the process.

NHMRC seeks to find a fair, transparent and proportionate response to these issues in order to continue to support Australia's international research engagement for national benefit while appropriately protecting our national interests.

We would be pleased to provide any other information that would assist the Committee in its inquiry and can be contacted at [REDACTED]

Yours sincerely,

[REDACTED]

**Professor Anne Kelso AO**

Chief Executive Officer



## Submission – Parliamentary Joint Committee on Intelligence and Security

### Inquiry into national security risks affecting the Australian higher education and research sector

#### Key Points

1. As the major national funder of Australian health and medical research, the National Health and Medical Research Council (NHMRC) recognises the importance of protecting Australia's national interests by fostering international collaboration while safeguarding against foreign interference.
2. NHMRC has engaged with national security agencies to understand the risks of foreign interference in the Australian health and medical research sector and to gauge the most appropriate actions NHMRC can take to mitigate these risks.
3. NHMRC supports the approach taken in the *Guidelines to Counter Foreign Interference in the Australian University Sector* (UFIT Guidelines) and has linked these Guidelines to both the *Australian Code for the Responsible Conduct of Research* and NHMRC's Funding Agreement with institutions that receive NHMRC research grants.
4. As NHMRC awards grants to a wide range of non-university research institutions, including independent medical research institutes and hospitals, it has commenced work to raise awareness of the UFIT Guidelines and the risks of foreign interference amongst those institutions.
5. NHMRC notes that the response to these risks must be transparent, proportionate and targeted to ensure that Australian researchers can continue to collaborate widely, both contributing to and benefiting from global advances that will improve the health of the Australian people.

#### About NHMRC

The National Health and Medical Research Council (NHMRC) is the Australian Government's lead agency for funding health and medical research. It also plays a national leadership role in maintaining the highest standards of research quality, integrity and ethics, and in developing evidence-based health advice and guidelines to improve the health of the Australian community.

NHMRC provides about \$900 million per year in grants that fund the highest quality health and medical research and support talented researchers at all career stages. Grants are awarded based on independent expert review against published criteria and support health and medical research in Australian universities, medical research institutes, hospitals and other approved research institutions.

In the context of the current inquiry, it is particularly important to note the breadth of institutions that receive and manage NHMRC research grants. There are currently 98 approved NHMRC Administering Institutions – the 39 universities, 32 independent medical research institutes (MRIs), hospitals, local health districts, cancer councils and clinical trials groups. These institutions vary considerably in their scale, resources and governance structures.



NHMRC provides strong national leadership in research integrity. Australia's research integrity framework is underpinned by national standards developed by NHMRC and its co-authors, the Australian Research Council (ARC) and Universities Australia (UA). The overarching document is the *Australian Code for the Responsible Conduct of Research, 2018*, which establishes a framework for responsible research conduct that provides a foundation for high quality research across all disciplines.<sup>1</sup>

NHMRC's role and functions are set out in the *National Health and Medical Research Council Act 1992*. NHMRC also has statutory obligations under the *Prohibition of Human Cloning for Reproduction Act 2002*, the *Research Involving Human Embryos Act 2002*, and the *Medical Research Future Fund Act 2015*. NHMRC is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

## Benefits of international collaboration

International collaboration is an essential element in a strong health and medical research system, which relies on scientists working together to share knowledge and accelerate discoveries and their translation into better health outcomes. Australia's world-class health and medical researchers are deeply engaged internationally, both contributing to and benefiting from global advances in knowledge. As acknowledged in the *Guidelines to Counter Foreign Interference in the Australian University Sector* (UFIT Guidelines), "Australians benefit significantly from the flow of information and intellectual property" that characterises engagement between "the best and brightest minds around the world".<sup>2</sup>

NHMRC's *International Engagement Strategy* aims "to promote international collaboration in health and medical research to achieve better outcomes for the Australian community and build Australia's research capability".<sup>3</sup> No single country has the resources, skills and capacity to address all health and medical research challenges. NHMRC fosters international collaboration to pool resources and talent for complex health and medical research projects, increase scientific impact, and build capacity for Australia.

NHMRC promotes Australian participation in international collaborative research in several ways:

- through bilateral and multilateral partnerships with international funding agencies to co-fund collaborative research addressing shared health challenges
- by maintaining flexible funding conditions that facilitate international collaboration and researcher exchange, for example: NHMRC-funded researchers may spend a proportion of their research time overseas; overseas researchers can be included as co-investigators on grant applications for most NHMRC schemes; and Australian researchers may use grant funds to support international collaboration.

International collaboration also accelerates outcomes by linking datasets or by providing access to larger patient cohorts to trial new drugs and treatments, a key feature in responding to the COVID-19 pandemic.

For example, the NHMRC-funded Australian Partnership for Preparedness Research on Infectious Disease Emergencies (APPRISE) is participating in REMAP-CAP, an adaptive clinical trial built to deliver fast results in a pandemic. More than 2,000 patients in 260 hospitals in 15 countries, including Australia, have been trialling more than 20 treatments through REMAP-CAP to save the lives of critically ill COVID-19 patients. This scale of clinical

<sup>1</sup> <https://www.nhmrc.gov.au/about-us/publications/australian-code-responsible-conduct-research-2018/>

<sup>2</sup> <https://www.dese.gov.au/guidelines-counter-foreign-interference-australian-university-sector/>

<sup>3</sup> <https://www.nhmrc.gov.au/research-policy/international-engagement/>



research on interventions in intensive care would not have been possible in Australia alone, in part because of Australia's success in bringing the pandemic under control.

In 2019 (the latest year for which complete data are available), approximately 17% of active NHMRC grants involved international collaboration, as evidenced by overseas co-investigators named on grant applications. This is likely an underestimate because NHMRC does not hold data on all researchers employed on a research project or on all collaborative arrangements in NHMRC-funded research.

In NHMRC's most recent bibliometric analysis, for the period 2008–2012, 42% of NHMRC-supported research publications had international co-authors from over 135 countries.<sup>4</sup>

#### Main collaborating countries across all NHMRC grant schemes

Country	Total Expenditure 2011 - 2019	Country	Active Grants 2019*
United States	\$363,840,919	United States	269
United Kingdom	\$213,853,192	United Kingdom	187
New Zealand	\$97,913,740	Canada	57
Canada	\$87,924,017	New Zealand	53
Germany	\$59,881,727	Germany	43
Netherlands	\$42,514,818	Netherlands	42
China	\$37,858,000	China	35
Finland	\$29,411,066	France	24
France	\$28,513,316	Sweden	22
Switzerland	\$23,608,363	Italy, Singapore, Switzerland	19

\*Grants where at least one payment was made to the Administering Institution.

#### Foreign interference - NHMRC's responsibilities

NHMRC recognises the risks posed by foreign interference in the Australian higher education and research sector. The benefits of international research collaboration need to be balanced against risk to Australia's national interests. It is important that awareness of these risks and of actions to mitigate them is extended to all institutions that may be vulnerable to foreign interference, including research institutions beyond the university sector.

NHMRC does not have data on the prevalence, characteristics and significance of foreign interference in Australian health and medical research but notes that international collaboration is a feature of research in most Australian research institutions.

While not directly involved in UFIT or the development of the UFIT Guidelines, NHMRC has been following these issues closely, and has worked with the ARC and UA to link the Guidelines to the *Australian Code for the Responsible Conduct of Research* (the Code).

<sup>4</sup> Measuring Up 2018: <https://www.nhmrc.gov.au/about-us/publications/measuring-2018#block-views-block-file-attachments-content-block-1>



### **a. Australian Code for the Responsible Conduct of Research**

The Code sets out the principles and core behaviours required for high quality research, and the responsibilities of institutions and researchers to maintain integrity, credibility and community trust in Australian research.

The Code is supported by a series of guides, such as the *Disclosure of interests and management of conflicts of interest* guide and the *Collaborative research* guide.

The Code and the guides apply to all research conducted under the auspices of Australian institutions in Australia and overseas.

The *Collaborative research* guide (published in February 2020) is intended to assist institutions and researchers to adhere to the relevant principles of the Code when they are engaged in collaborative research with other Australian and/or international researchers and research institutions.

Under the Code, institutions are responsible for establishing and maintaining good governance and management practices for responsible research conduct (Principle R1). This includes responsibility for establishing agreements for research collaboration, which take into account issues such as the roles and responsibilities of each party; governance of the project; the use, management, sharing and ownership of research data and intellectual property; and the requirements for disclosure and management of conflicts of interest.

Importantly, the *Collaborative research* guide reminds institutions that specific issues that need to be considered include “undertaking appropriate due diligence inquiries into potential international research partners, informed by foreign interference risks”.<sup>5</sup> Institutions are also directed to “guidance on enhancing safeguards against foreign interference” contained in the UFIT Guidelines.

### **b. NHMRC Funding Agreement**

All grants funded by NHMRC are subject to the terms and conditions of the NHMRC Funding Agreement between NHMRC and the Administering Institution.<sup>6</sup> In October 2020, NHMRC added the UFIT Guidelines to the list of Government legislation and policies on its website<sup>7</sup> which are referred to through both the NHMRC Funding Agreement and in NHMRC Grant Opportunity Guidelines.

The NHMRC Funding Agreement, like the *Australian Code for Responsible Conduct of Research*, applies to all NHMRC-funded research at approved Administering Institutions, including Australian universities, medical research institutes, hospitals and other institutions. Importantly, NHMRC has emphasised that the UFIT Guidelines apply and should be given consideration by all NHMRC-approved Administering Institutions, and not just universities.

### **c. Raising awareness and strengthening transparency**

NHMRC has been engaging with national security agencies since September 2020 to understand the nature of the risk of foreign interference to the health and medical research sector and to gauge the most appropriate actions NHMRC can take, both as a funder and as one of the owners of the *Australian Code for the Responsible Conduct of Research*.

The Department of Home Affairs and ASIO have briefed NHMRC’s senior executive on the nature of foreign interference risks in our sector. The Office of the Counter Foreign Interference Coordinator has agreed to work with NHMRC to broaden awareness of these

<sup>5</sup> Collaborative research: A guide supporting the *Australian Code for the Responsible Conduct of Research*, p.2. Available at: <https://www.nhmrc.gov.au/about-us/publications/australian-code-responsible-conduct-research-2018/>

<sup>6</sup> <https://www.nhmrc.gov.au/funding/manage-your-funding/funding-agreement/>

<sup>7</sup> <https://www.nhmrc.gov.au/applicable-laws-and-obligations/>



risks amongst NHMRC's Administering Institutions. NHMRC has also met with the Critical Technologies Policy Coordination Office in the Department of the Prime Minister and Cabinet, and is considering the intersection of both sets of issues.

NHMRC is working to increase awareness across all of its Administering Institutions, especially non-universities, of the need to appropriately mitigate the risk of foreign interference, while supporting the highest quality collaborative research.

To this end, NHMRC is convening a briefing from the Counter Foreign Interference Coordinator's office in the Department of Home Affairs and the Critical Technologies Policy Coordination Office, Department of the Prime Minister and Cabinet, for the Board of the Association of Australian Medical Research Institutes (AAMRI).

AAMRI is the peak body for medical research institutes (MRIs) across Australia, with 57 member organisations, some of which are part of universities and many of which are independent institutes and NHMRC Administering Institutions in their own right.

This briefing is an initial step in a concerted activity to ensure that all NHMRC Administering Institutions are aware of the risks, the UFIT Guidelines and the steps they need to be taking to manage the risk of foreign interference.

All approved Administering Institutions must report annually on compliance with NHMRC requirements, including compliance with relevant standards, guidelines and policies, through an Institutional Annual Compliance Report. NHMRC will require all Administering Institutions to include information in their 2021 Reports on their awareness of foreign interference and the UFIT Guidelines, as well as any steps they are taking to implement the Guidelines within their institution. We intend to strengthen these requirements as we ensure all Administering Institutions are aware of the risks of foreign interference and the importance of taking steps as described in the Guidelines.

## **Foreign interference – responsibilities of institutions**

Where there are risks, those closest to, and with direct oversight of, the research activity can play a critical role in identifying and managing those risks. Universities are – to varying degrees – already investing in and managing the risks associated with international collaboration and engagement.<sup>8</sup> While research institutions vary in size, maturity, experience and organisational structure (from large and complex universities to small privately funded institutes, for example), all research institutions are accountable for the development, undertaking and reporting of research.<sup>9</sup> Regardless of their size or type, all NHMRC Administering Institutions are required to have in place the necessary arrangements for the appropriate management of research.<sup>10</sup> Research institutions are best placed to be aware of the research personnel involved in specific projects.

Importantly, most NHMRC grants can be used to support a larger team than the investigators named on the grant application. With the exception of Postgraduate Scholarships, all NHMRC grants provide funds that can be used flexibly to employ research staff. Those staff may not have been named investigators on the original grant application and may only have been recruited once the grant was awarded. Many research projects will also involve external collaborators (including international collaborators) and postgraduate research students who were not named on the original grant application and may have become project participants as the research evolved. For these reasons, NHMRC does not

<sup>8</sup> <https://www.dese.gov.au/guidelines-counter-foreign-interference-australian-university-sector/>

<sup>9</sup> <https://www.nhmrc.gov.au/about-us/publications/australian-code-responsible-conduct-research-2018/>

<sup>10</sup> <https://www.nhmrc.gov.au/funding/manage-your-funding/nhmrcs-administering-institutions/>



have visibility of all researchers or other personnel involved in NHMRC-funded research over the 3- to 5-year term of each grant.

As employers of researchers and administrators of NHMRC grant funding, Administering Institutions have the most immediate access to information about the citizenship, background, affiliations, funding and any other employment of their researchers. Project leaders within Administering Institutions will be aware of all external collaborators involved with their projects.

All parties will be best served by early identification and management of the risks of foreign interference. Given the work involved in preparing and assessing research grant applications and the low funded rates for NHMRC's highly competitive grant schemes (5-15% for the largest schemes), it is highly desirable that risks are identified as early as possible in project planning.

Against this background, NHMRC is working to ensure that all its approved Administering Institutions are aware of, and actively engaged in mitigating, the risks of foreign interference in their research activities.

## **Conclusion**

The high quality of Australian health and medical research, the strong collaborative engagement of Australian researchers with their international counterparts, and the fair and transparent processes used to award competitive research grants through Australian funding agencies are valuable features of our national research system. Protecting these assets while also safeguarding against foreign interference presents a significant challenge to every participant in this system. NHMRC will continue to engage with the security agencies and work with its funded institutions to raise awareness of the risks and how they can be mitigated, and looks forward to the outcomes of the current Inquiry in guiding this work.

