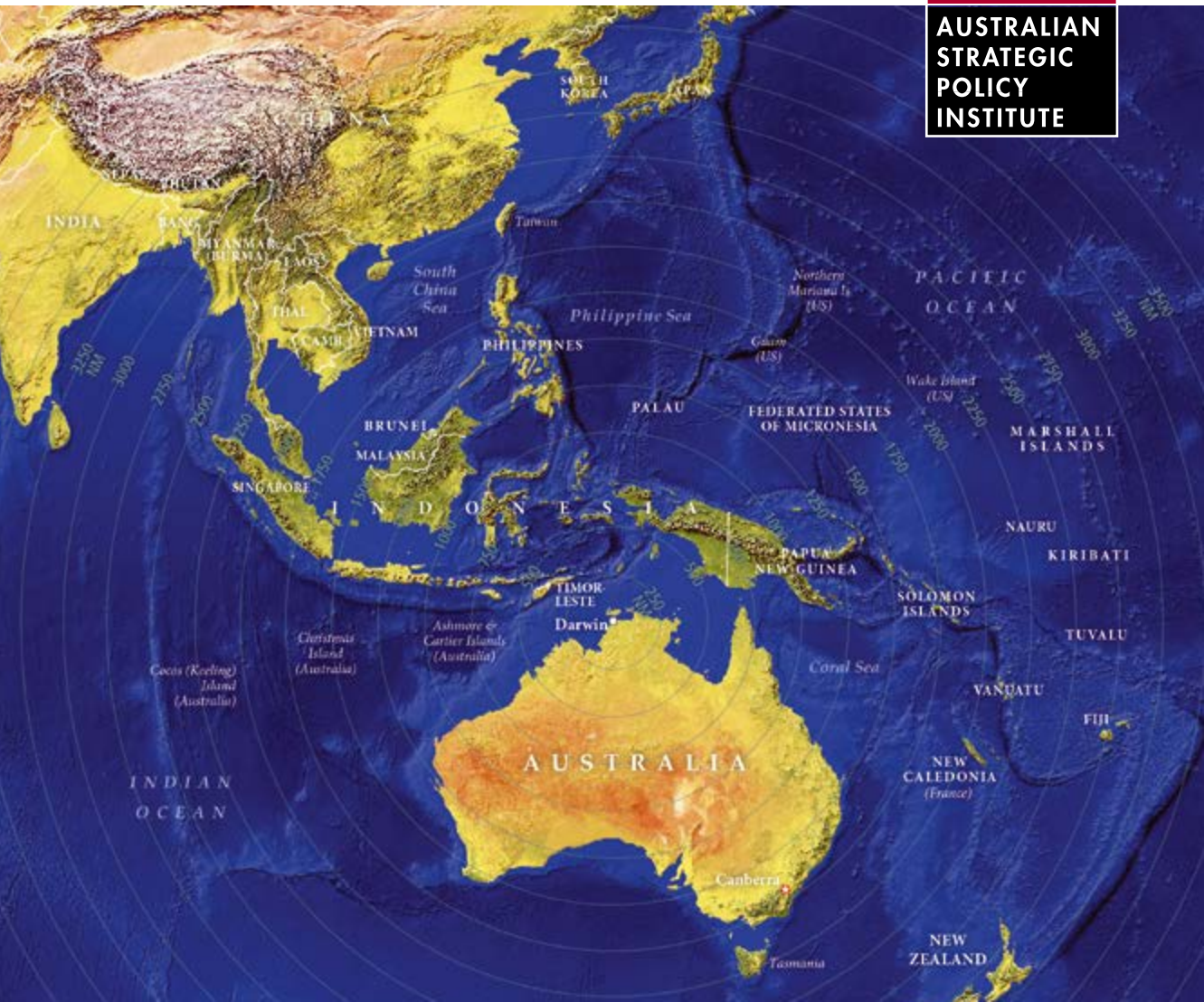


Annual Report 2020–2021

A S P I

AUSTRALIAN
STRATEGIC
POLICY
INSTITUTE





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Annual Report 2020–2021



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First published October 2021

Published in Australia by the Australian Strategic Policy Institute

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ABN 77 097 369 045

ISSN 1 447 5510 (print)

ISSN 2651 8694 (online)

The Honourable Peter Dutton MP
Minister for Defence
Parliament House
CANBERRA ACT 2600

Dear Minister

The Council of the Australian Strategic Policy Institute has pleasure in submitting to you the annual report for the year ended 30 June 2021.

The report is presented to you in accordance with section 97 of the *Public Governance, Performance and Accountability Act 2013*.

The report has been prepared to conform with the requirements of the *Corporations Act 2001* and was approved by the Council at its meeting on 27 August 2021.

Yours sincerely



Lt Gen (Ret'd) Kenneth Gillespie AC DSC CSM

Chairman
27 August 2021

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‘ASPI continues to produce informed and incisive and independent analysis on all things defence and national security, and as our nation contends with a more challenging strategic environment, it is more important than ever that we have a frank and nuanced discussion with the Australian people about the threats that we face. We cannot simply seek to ring-fence Australia from complex and difficult issues, and ASPI will continue to play an important role in this national discussion.’

—Minister for Defence, the Honourable Peter Dutton MP



Minister for Defence, the Honourable Peter Dutton MP, speaking at the 2021 ASPI Conference, Shape, Deter, Respond: Implementing the 2020 Defence Strategic Update, 10–11 June 2021.

Message from the ASPI Chairman and the Executive Director

August 2021 marks ASPI's 20th year of operations. In the lead-up to that anniversary and throughout the 2020–21 financial year, we reflected on the core purposes that inspired the institute's foundation. In January 2020, classified records were released covering the Howard government's cabinet deliberations in 2000. The case for a strategic policy institute was set out in a cabinet submission considered on 18 April 2000:

There are two key reasons to establish an independent institute to study strategic policy. The first is to encourage development of alternative sources of advice to Government on key strategic and defence policy issues. The principles of contestability have been central to our Government's philosophy and practice of public administration, but these principles have not been effectively implemented in relation to defence and strategic policy, despite the vital national interests and significant sums of money that are at stake. The Government has found in relation to the COLLINS Class Submarines project for instance, and more recently in relation to White Paper process, that there are almost no sources of alternative information or analysis on key issues in defence policy, including the critical questions of our capability needs and how they can best be satisfied. The ASPI will be charged with providing an alternative source of expertise on such issues.

Second, public debate of defence policy is inhibited by a poor understanding of the choices and issues involved. The ASPI will be tasked to contribute an informed and independent voice to public discussion on these issues.¹

Two decades later, the drive to be an informed and independent voice still animates ASPI at a vital moment in Australia's national security story.

¹ *Cabinet memorandum JH00/0131—Establishment of the Australian Strategic Policy Institute—Decision*, 18 April 2000, National Archives of Australia, control symbol JH2000/131, barcode 202981504, online.

The ASPI team worked hard during the reporting period to get a variety of new projects underway. Under strict Covid-19 protocols, we resumed our in-person events and delivered ASPI's Sovereign Priorities series, consisting of two masterclasses, and the June annual conference: Shape, Deter, Respond: Implementing the Defence 2020 Strategic Update. It was satisfying to see that all events reached full capacity within days of advertising.

We are pleased to report that the government has supported our proposal to open an ASPI office in Washington DC using an additional grant provided in June 2021. ASPI's presence in Washington will lift Australia's profile in the lively American think tank community and will work to inform the policy thinking of the current and future US administrations relating to Australia, our alliance and US Indo-Pacific policy. ASPI is a well-known quantity in Washington and will be welcomed for the perspectives the institute will bring from a close ally.

ASPI's funding grew in the reporting period because we continue to identify new opportunities for valuable work. Funding grew also as a result of expanding our suite of professional development courses.

Critical to ASPI's success is the simple but powerful design of the institute's governance structure, which makes delivering contestable policy advice our central mission. This creates a strong foundation, enabling ASPI's independence. It is the job of the ASPI team to live up to that expectation in our daily work.

During a time of troubling global strategic developments, ASPI continued to raise its international and national profile as a source of detailed research, analysis and commentary on defence and security issues. There is no question that the institute's work gets noticed: in November 2020, the Canberra embassy of the People's Republic of China handed to media outlets what has become known as the '14-point grievance list', complaining about Australian Government actions, including the government's funding of ASPI.

Of course, we go to great lengths to ensure, and we stand by, the depth and quality of our research. Indeed, our most widely read report in 2020, *Uyghurs for sale*, received international attention for its forensic analysis of this very concerning human rights issue. It is not surprising that the actions of an increasingly assertive Beijing, using a unique style of 'wolf warrior' diplomacy, have become the focus of much ASPI research and analysis.

In 2020–21, the institute also published on a broad range of other topics, including Defence budgeting, capabilities and operations, as well as on the Indo-Pacific, emerging technology, cyber matters, climate and security and many other areas.

This annual report makes clear that, while the institute continues to research widely on the strategic threat posed by China and uncertainty about its plans and activities, so too will the organisation explore a wide range of defence, economic, technological and social dimensions. ASPI takes seriously its responsibility to nourish public debate and understanding of those matters.

We extend our thanks to the Minister for Defence, the Hon Peter Dutton MP, for his support to the institute. We also thank the former Minister for Defence, Senator the Hon Linda Reynolds CSC, for her engagement and support. We could not achieve what we do without the support of the Department of Defence, the Australian Defence Force and our many sponsors and supporters.

We thank Air Vice Marshal (Ret'd) Margaret Staib AM CSC for her insightful and unfailingly helpful service on the ASPI Council from 2015 to the end of 2020, and we are delighted to welcome James Brown to the council. We also note with sadness the passing, in November 2020, of Des Moore, a member of the inaugural ASPI Council. Des was a feisty, lifelong believer in the importance of public policy.

We commend this report to you.



A handwritten signature in black ink, appearing to read 'K Gillespie'.

Kenneth Gillespie
(Chairman)



A handwritten signature in black ink, appearing to read 'Peter Jennings'.

Peter Jennings
(Executive Director)



Chapter 1

Overview



ASPI was established by the Australian Government in 2001 as an independent, non-partisan think tank that produces expert and timely advice for Australian and global leaders. ASPI generates new ideas for policymakers, allowing them to make better-informed decisions. ASPI is one of the most authoritative and widely quoted contributors to public discussion of strategic policy issues in the Indo-Pacific region and a recognised and authoritative Australian voice in international discussion on strategic, national security, cyber, technology and foreign interference issues.

Since its inception, the institute has developed into one of the leading independent research bodies in Australia. ASPI is unique in the scope of its research, capacity, expertise and ability to independently engage across official and public domains. The institute is recognised nationally and internationally for its significant contributions to important policy debates.

ASPI was again ranked as one of the world's best think tanks in the University of Pennsylvania's 2020 Global Go To Think Tank Index, which is the gold standard for annual assessments of think tanks' performance around the world. We featured in many of the notable rankings this year. Ranked at 11th in the Top Defence and National Security category, ASPI is the highest ranked defence and national security think tank in Australia.

ASPI is a company limited by guarantee wholly owned by the Australian Government and governed by the ASPI Council, which is responsible for setting the strategic direction for the institute. ASPI Council members are appointed by the Minister for Defence and include a nominee of the Leader of the Opposition to reinforce the non-partisan nature of ASPI's work.

ASPI operates out of an office in Canberra, with 58 staff at the end of June 2021. In addition, we have one offsite staff member and some part-time Visiting Fellows located outside of Canberra.

ASPI's work covers all aspects of national decision-making related to Australia's defence and security interests and whole-of-government policy responses, with an emphasis on political, economic and military security.

Senator the Honourable Linda Reynolds CSC was the Minister for Defence, to whom we reported, until 30 March 2021. We thank her for her active support of the institute and thank the Opposition and parliament for their engagement with us. On 30 March 2021, the Honourable Peter Dutton MP was appointed the Minister for Defence, to whom we now report.

Purposes

As outlined in our constitution, ASPI's objective is to function as a strategic policy research centre, independent of government, providing policy-relevant research and analysis to better inform government decisions and public understanding of strategic and defence issues.

Four specific purposes are included in ASPI's constitution and reflected in our corporate plan:

- Conducting and publishing research on issues related to Australia's strategic and defence policy choices
- Preparing policy inputs on strategic and defence issues to government, as requested by government, subject to funding
- Conducting a program of activities to increase understanding of strategic and defence policy issues among Australians, and to encourage the development of expertise in topics relevant to Australia's strategic and defence policy choices
- Promoting international understanding of Australia's strategic and defence policy perspectives.

Conducting and publishing research

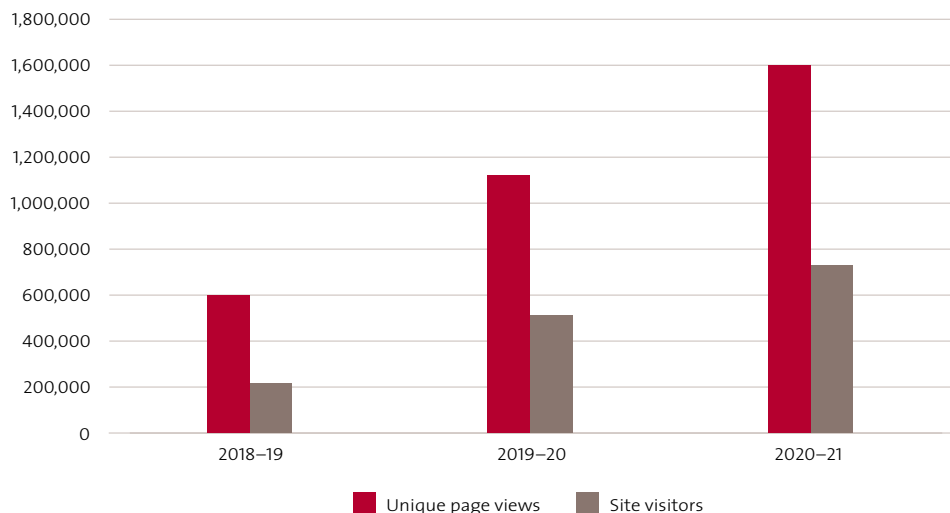
The institute produces a range of publications throughout the year dealing with the spectrum of strategic and defence policy challenges and wider national security issues. In 2020–21, we produced a total of 57 publications. Detailed information about the full range of ASPI publications, including examples of media coverage, is in Chapter 3 and Annex A.

All ASPI publications are available for free download from our website. We have expanded our readership base worldwide, and there have been more than half a million downloads of our publications around the world since the introduction of free PDF downloads in 2007.

Website traffic

Online demand for ASPI research continues to grow steadily. Figure 1 shows the number of page views and visitors to the ASPI website over the past three years. The numbers are less important than the overall trend, which shows strong and increasing demand for ASPI research.

Figure 1: Visitors to www.aspi.org.au and page views, 2018–19 to 2020–21



ASPI continues to enjoy a substantial presence in the media landscape through our daily online publication, *The Strategist*, which allows us to examine contemporary security issues in a way that is consistent with our reputation for considered analysis. A major benefit is the ability to publish the views of analysts and commentators on current ‘hot topics’ quickly and in their own words, rather than through a media filter.

At 30 June 2021, *The Strategist* had more than 5,000 daily subscribers and 7,000 weekly subscribers. It recorded a total of 4,617,522 unique page views during the year, compared with 2,699,662 in 2019–20, an increase of 71%.

The Strategist pieces have been quoted in other media reporting on numerous occasions. *The Strategist* is a useful vehicle for the media to easily identify ASPI analysts with particular subject-matter expertise, so pieces often lead to interviews. During 2020–21, we published 1,050 posts from 377 individual authors, covering all of the major areas of ASPI’s research interests.

ASPI staff are also frequent contributors to academic journals and other external publications. A list of selected external publications is in Annex B.

Contributing to government policy

ASPI's contribution to government policy thinking occurs at many different levels. More formally, the following submissions were provided during the year:

- Parliamentary Joint Committee on Law Enforcement (PJCLE) inquiry into the impacts of Covid-19 on criminal activity and law enforcement (submission by Dr John Coyne)
- PJCLE inquiry into illicit tobacco (submission by Dr John Coyne)
- PJCLE inquiry into public communication campaigns targeting drug and substance abuse (submission by Dr John Coyne)
- Royal Commission into Natural Disaster Arrangements (submission by Dr John Coyne)
- 'Developing resilient space capability via space industry for defence and national security', submission to Inquiry into Developing Australia's Space Industry, 19 February 2021 (submission by Malcolm Davis)
- Inquiry into Funding for Public Research into Foreign Policy Issues (submission by Peter Jennings)
- Senate Economics Legislation Committee, Inquiry into Foreign Investment Reform, Protecting Australia's National Security Bill 2020. (submission by Peter Jennings).

More informally, ASPI senior staff engage frequently in meetings with parliamentarians and senior bureaucrats to discuss a range of policy options.

Defence research projects

A portion of the funds that ASPI receives from the Department of Defence is directed to mutually agreed Defence-specific projects. During the year, those projects focused on:

- hybrid warfare, including asymmetric advantages for Australia and intersection points for military and civilian capabilities
- critical and emerging technology, especially for Australia's opportunities in the global space industry
- Southeast Asia and regional cooperation
- the Pacific island countries and regional resilience
- deterrence: regional perceptions of Australia's deterrence capabilities, Australia's influence on the cost calculus of potential adversaries, and American and Chinese nuclear doctrines
- enhancing combat capability and future asymmetric advantages for Australia other than technology

- analysis of the 2020 Defence Strategic Update and Force Structure Plan: how to measure strategy and know when and how to adjust, and the strategic drivers shaping Australia's strategic environment
- all aspects of cybersecurity; government collaboration with private companies and research organisations; and the weaponisation of data and information.

Participation in government advisory committees and expert panels

Recognised for their expertise, ASPI staff have been invited to participate in a number of Australian Government advisory committees and expert panels, which include:

- Swift FCC Research
- UN Delta 8.7 Justice Policy Working Group
- IATA Digital Vaccine International Working Group
- UAE Excellence Program
- Queensland Reconstruction Authority Board Director (Queensland Government)
- annual DFAT planning meetings
- Defence Space Domain Review
- Senate Foreign Affairs, Defence and Trade References Committee
- Digital Experts Advisory Committee, Department of the Prime Minister and Cabinet
- Joint Standing Committee on Trade and Investment Growth—inquiry into diversifying Australia's trade and investment
- Senate Economics References Committee—inquiry into Australia's sovereign naval shipbuilding capability.

Level of involvement by other Australian Government entities in ASPI research programs

While ASPI's core funding for defence work comes from the Department of Defence, funding from other government entities has grown significantly. This has allowed us to expand the Defence, Strategy and National Security Program's areas of research, to undertake specific training programs and to deliver contracted research and analysis. The commitment of other government agencies to funding ASPI for those programs demonstrates their confidence in our ability to provide high-quality, independent analysis and advice.

During 2020–21, ASPI received additional funds from:

- .au Domain Administration Ltd
- Attorney-General's Department
- Australian Civil-Military Centre
- Cyber Security Cooperative Research Centre
- Department of Agriculture, Water and the Environment
- Department of Defence
- Department of Foreign Affairs and Trade
- Department of Home Affairs
- Department of the Prime Minister and Cabinet.

Those funds contributed to the following research programs:

- International Cyber Policy Centre
- Indonesia Program
- Climate and Security Policy Centre
- Defence, Strategy and National Security Program
- Northern Australia Strategic Policy Centre and Strategic Policing and Law Enforcement Program
- International Program
- Counter-Terrorism Policy Centre
- Professional Development and Defence graduate programs.

Increasing understanding of and developing expertise in strategic and defence policy

Events

ASPI reaches a range of different audiences through a program of public and invitation-only events. During 2020–21, we conducted a total of 75 events, which included roundtable discussions, masterclasses, webinars and seminars attended by Australian and international participants. ASPI events made a valuable contribution to discussions about defence and national security issues in Australia and our region.

The Covid-19 pandemic has had a substantial impact on the events program; border closures, travel restrictions and venue capacities have been some of the key challenges. Many public events, roundtables and strategic international dialogues that were to be held from June 2020 have been shifted to online delivery for that reason. It is expected that the impact of Covid-19 will continue in the 2021–22 financial year.

Details about the full range of events that ASPI organises are in Chapter 4 and Annex D.

Media commentary

ASPI continues to play an important role in the media as part of our strategy for encouraging and informing public debate.

Each week, ASPI staff are contacted to provide commentary for print and online media or to be interviewed for radio or television on the full range of ASPI research expertise. This amounts to hundreds of interviews throughout the year and reflects the standing that ASPI has established with the media as a credible and reliable source of information on what are often very complex issues.

As well as comments and interviews, 55 opinion pieces by ASPI staff were published during 2020–21. A list of the opinion pieces is in Annex C. Examples of media coverage and contributions to the national debate through our publications are in Chapter 3.

ASPI communication channels

ASPI uses a number of different tools to communicate research and analysis to a broad audience. In addition to the website and *The Strategist*, each element of our social media presence is designed to provide a unique user experience, and each channel complements the others.

Measuring engagement of users

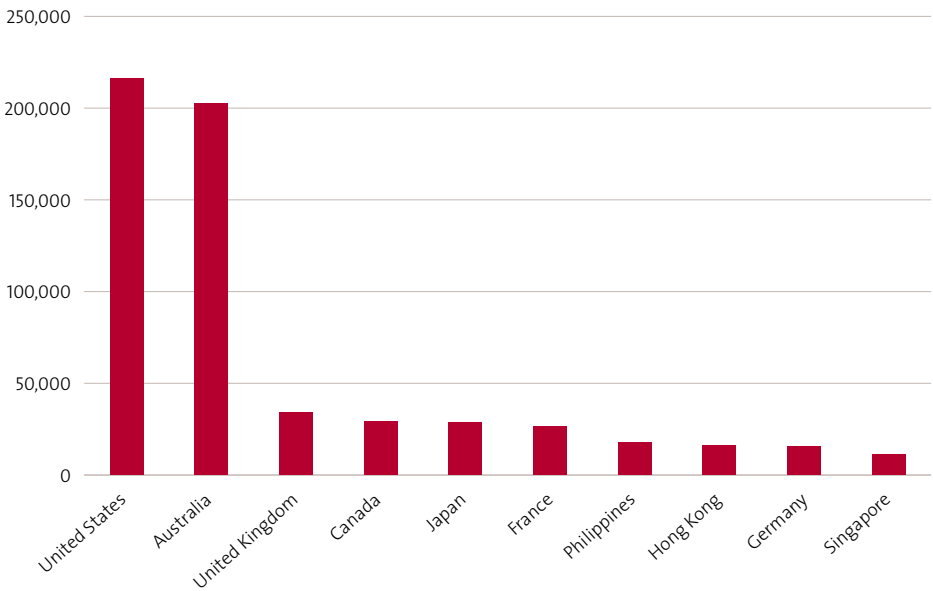
It can be difficult to accurately measure the engagement of users with a website and its subsequent influence. However, one useful metric that bots do not tend to taint (at present) is ‘time on page’, which tells us how long users have a specific web page open and therefore the time that they have spent reading that page.

For our top five most viewed reports in 2020–21, the average time on page was 8 minutes, which suggests strong engagement with those reports.

Geography

The ASPI website continues to attract the vast majority of views from Australia and the US, which combined add up to slightly over 56% of our users. This year, for the first time, the page views originating from the US narrowly edged out Australian views for the top position (Figure 2).

Figure 2: Page views on www.aspi.org.au, by country of origin, 2020–21



The Strategist

The Strategist commentary and analysis site provides both a broad view of ASPI’s operations and a platform for readers to voice their opinions. It was launched online in July 2012 to give the institute a daily voice and quickly evolved in its quality, volume and reach.

Since its launch, it has run close to 8,500 posts.

Readership has risen steadily from the days when the most popular pieces might get as many as 100 views, to the past year, when the site received 4,617,522 views.

The Strategist is intended to be a lively forum for diverse views and is not there to reflect an official ASPI view on anything. As ASPI’s main public window, *The Strategist* is an effective way to get the vast amount of material we produce into the light of day.

Because of the thought that went into its creation and its management by a skilled team of editors, *The Strategist* has matured into an excellent platform for debate, bringing strategic, defence, cybersecurity and national security issues to the attention of policymakers. It makes important contributions to discussions and provides critical scrutiny of individual defence projects.

The Strategist is an important source for local and international journalists and commentators working on defence, cyber and security matters. Ministerial advisers regularly include posts in briefing notes, and *The Strategist* often features in departmental and university reading lists. Strategist staff write frequent reports for the media on key issues.

A broader mix of posts includes short, sharp analyses and longer, more complex pieces, along with detailed interviews.

We increasingly run podcast interviews along with our written posts, each with a short, written introduction to say who's being interviewed about what.

Monitoring the progress of *The Strategist* provides insights into public interests and concerns. For example, the most read posts in 2021 reflect a sharply increasing focus on analysis of relations with China and Australia's readiness for a potential conflict.

The Strategist continues to attract a broad overseas audience of writers and readers; on average, well over 40% of hits come from outside Australia. It is particularly popular in the US, the UK, India, Canada, Singapore, the Philippines and New Zealand.

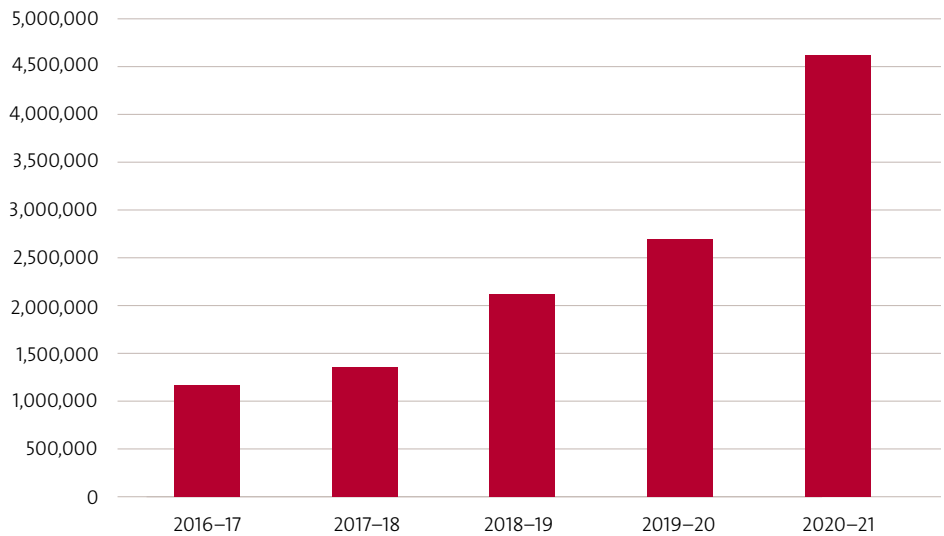
Around half of the readers of *The Strategist* in 2020–21 were in Australia. The top 10 countries of origin of *Strategist* readers (Table 1) differed slightly from those visiting the ASPI website. Visits to *The Strategist* increased by 71%, from 2.7 million in 2019–20 to 4.6 million in 2020–21. Total page views grew by 68%, from 3.0 million in 2019–20 to 5.1 million in 2020–21.

Table 1: Visitors to *The Strategist*, by country of origin, 2020–21

Top 10 countries of origin	Percentage of total visitors
1. Australia	50.97
2. United States	14.64
3. United Kingdom	3.55
4. India	3.17
5. Canada	2.33
6. Singapore	1.81
7. Philippines	1.55
8. New Zealand	1.10
9. Malaysia	1.08
10. Germany	1.06

Figure 3 shows the number of unique page views on *The Strategist* from 2016–17 to 2020–21.

Figure 3: Unique page views on *The Strategist*, 2016–17 to 2020–21



Twitter—@ASPI_org

We use Twitter to inform followers of newly released reports, articles and *The Strategist* posts, as well as to alert audiences to ASPI events and other developments. We 'live tweet' updates, images and quotes to Australian and international followers in near real time during ASPI public events. Our Twitter followers increased by 22% to 38,888 in 2020–21 from 31,800 in 2019–20.

Facebook

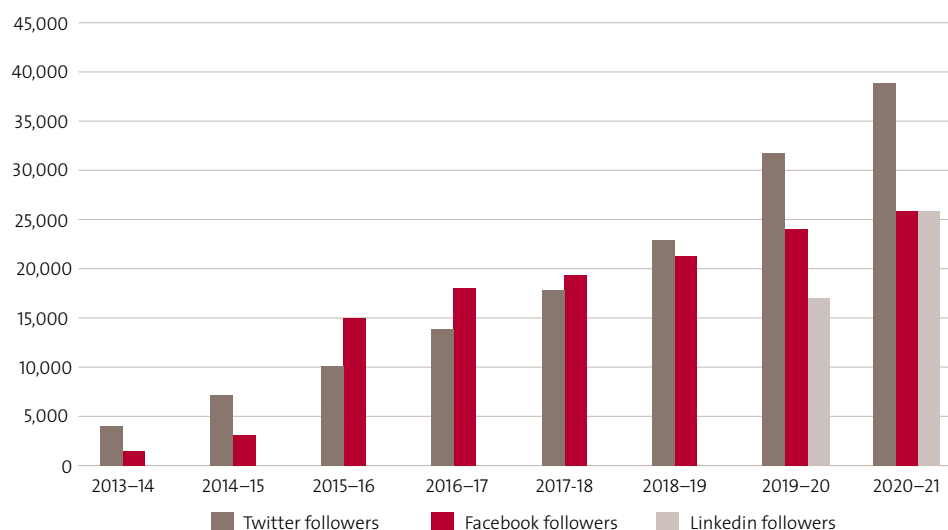
On Facebook, we post information about ASPI, internship opportunities, images, videos, event updates, news, newly released publications and *The Strategist* posts. Our Facebook followers increased to 25,832 in 2020–21, which was an increase of 7% from 24,068 in 2019–20.

LinkedIn

ASPI uses LinkedIn to promote information about our reports, events, job and internship opportunities and other notable developments. LinkedIn followers increased to 25,835 in 2020–21, which was an increase of 51% from 17,016 in 2019–20.

Figure 4 shows the significant growth in the numbers of ASPI's Twitter and Facebook followers over the past eight years and growth in numbers of LinkedIn followers for the past two years.

Figure 4: Twitter, Facebook and LinkedIn followers, 2013–14 to 2020–21



YouTube

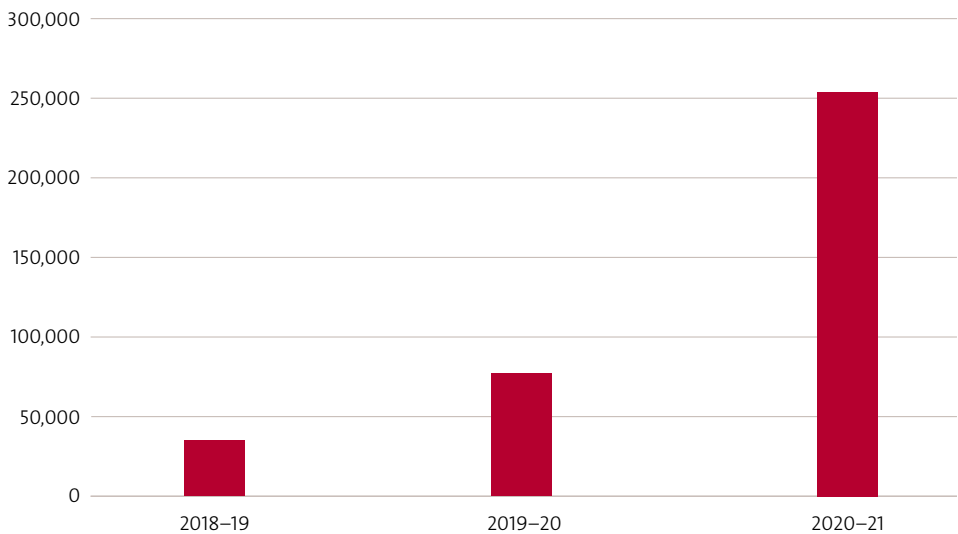
YouTube remains a strong channel for ASPI and, unsurprisingly, we have seen record numbers of users engaging with our videos in 2020–21. Views were up to 133,000 (compared with 100,000 in 2019–20).

As well as individual videos, we have experimented with a small number of series recently. One of the more popular was ‘The ASIS interviews’ which was a four-part series in which ASPI Fellow Graeme Dobell interviewed Paul Symon, Director-General of the Australian Secret Intelligence Service. The four videos were watched more than 14,000 times in 2020–21.

Policy, Guns and Money: The ASPI Podcast

The ASPI podcast *Policy, Guns and Money* continues to show very strong growth. We believe that this growth is being driven by a combination of strong content and strong consumer demand for podcasts (Figure 5). The growth has been fuelled, no doubt to some extent, by the Covid-19 lockdowns; nevertheless, *Policy, Guns and Money* goes from strength to strength and is gaining a strong audience and reputation.

Figure 5: The ASPI podcast *Policy, Guns and Money*, number of plays, 2018–19 to 2020–21



ASPI—Professional Development

ASPI’s Professional Development (PD) plays an important role in strengthening understanding of strategic and defence policy issues, as well as developing the expertise of Australian Government departments and agencies to deliver strategic policy excellence, particularly for the Australian Defence organisation.

In 2020–21, PD delivered a total of 22 activities to 364 personnel (Table 2). Details of the full range of programs delivered by PD are in Chapter 2.

Table 2: Breakdown of ASPI-PD activities, 2020–21

Activity	Client	Number delivered	Total number of participants
Crafting Better Policy for Improved Decision-Making workshops	Defence	8	129
Intermediate Better Policy workshops	Defence	5	61
Royal Australian Air Force Professional Development programs	Defence	4	70
Focused professional development programs	Defence	3	76
Thinking & Communicating Outside the Box programs	Private and public sectors	2	28
Totals		22	364

Internships

ASPI's paid internship program gives recent graduates an opportunity to contribute to our research projects and also to conduct their own research projects for future publication, either by ASPI or independently. By attending many of ASPI's events, they make contact with senior officials, researchers and diplomats from Canberra and elsewhere as they begin to form professional networks for their careers in strategic policy.

Due to the disruptions caused by Covid-19, ASPI departed from its usual practice of having two intakes for six-month placements in each calendar year. Instead, the Executive Director extended 2020's first intake of five interns for the whole calendar year to provide stability and continuity. Similarly, the first intake for 2021 has been extended for the whole year.

Interns make important contributions to research projects, publications and *The Strategist* and gain hands-on experience in strategic policy development.

The interns are responsible for collating the fortnightly 'Five domains' and 'National security' wraps for *The Strategist* and its monthly 'Women, peace and security' wrap. They have also participated in ASPI's podcast, *Policy, Guns and Money*.

Examples of publications and *The Strategist* posts authored by or contributed to by interns in 2020–21 included the following.

Publications:

- *The power dynamics of Thailand's digital activism*
- *Snapshot of a shadow war in the Azerbaijan–Armenia conflict*
- *The influence environment: a survey of Chinese-language media in Australia*
- *Pushing back against the Chinese Communist Party's coercive diplomacy*
- *The flipside of China's central bank digital currency*
- *North of 26 degrees south and the security of Australia: views from The Strategist (volume 3)*

The Strategist:

- Australia and New Zealand should help their island neighbours get into space
- How to bring Indigenous expertise and experience into Defence and the digital economy
- China's AI deployment in Africa poses risks to security and sovereignty
- Semiconductors as a shield for Taiwan?
- Establishing a semiconductor cradle in the Northern Territory
- Tweet storm shows China aims to project power through provocation
- How LGBTQ+ activism is helping shape the fight for democratic freedoms in Hong Kong
- Defence's responsibilities in an era of climate change
- 'Page not found': what happens when diplomatic statements meet the WeChat censor
- Covid-19's impact on elections in the Indo-Pacific
- Ardern shows the way in engaging with young voters
- Malaysia's new parties and old cronyism
- How can journalists avoid being used in disinformation operations?
- This is no time to take eyes off the South China Sea
- Covid-19's toll on Indonesia's healthcare system
- Survey reveals what Indonesians really think of Australia
- Building an education and training link between northern Australia and eastern Indonesia
- Australia needs to pick up the pace on innovation
- Are Australia's new armoured vehicles too heavy?
- Defence needs to rethink its disaster-relief strategy
- Australia has a key role to play in reducing China's rare-earths dominance

Promoting international understanding of Australia's strategic and defence policy perspectives

ASPI's standing as a respected source of analysis is recognised both internationally and domestically. It can be measured by our international ranking in a global index of think tanks, being selected to co-host Track 1.5 dialogues with international institutions and government partners on a regular basis, strengthening links with overseas think tanks through exchanges and fellowships, and being invited to speak at international conferences.

Readers from around the world are increasingly accessing our website and *The Strategist*, and our counterparts in other countries help us to foster the next generation of strategic policy thinkers by inviting our staff to attend their meetings and conferences. In 2020–21, we received invitations for:

- four presentations to the Border Control Agency Management Program—Vietnam
- two presentations to the Regional Law Enforcement Management Program—Vietnam
- Townsville Enterprise—Defence in North Queensland
- Identity Week Asia—Digital ID, October 2020
- Dr John Coyne to provide expert advice to the Department of Agriculture, Water and the Environment on the impacts of the Chinese Government's Belt and Road Initiative on biosecurity and the agriculture industry
- Dr John Coyne and Dr Teagan Westendorf to present their recent research findings on drug trafficking and policing strategies at the Canadian national law enforcement conference 'Blue Line Expo International', April 2021
- International Security Expo 2020
- POLICE Technology Conference
- 89th Ottawa Security Conference
- 2021 Space Awards (finalist, Researcher of the Year), Sydney, 4 June 2021
- Australian Space Forum and 'Defence against the Dark Arts in Space' workshop, Adelaide, 30 March – 1 April 2021
- National Bureau of Asian Research, 'China's Military Modernization: Implications for Regional Security', Track 1.5
- Nepal Institute for International Cooperation and Engagement—Global Conclave
- JIIA – ASPI 2.0 Track Dialogue, December 2020
- Be'er Sheva Dialogue
- Prospect Foundation, 'A Changing Environment and its Implications to Australia and Taiwan' webinar

- Peter Jennings to testify at the US–China Economic and Security Review Commission’s hearing on US–China relations at the Chinese Communist Party’s centenary; Peter Jennings participated in Panel 111: ‘Implications of China’s Policies for US interests’, 28 January 2021.

International ranking

In the University of Pennsylvania’s 2020 Global Go To Think Tank Index, ASPI was the highest ranked defence and national security think tank in Australia, ranking 11th out of 110 think tanks.

Links with overseas think tanks

Our links with overseas think tanks take a number of forms. We engage formally through hosting or co-hosting a range of Track 1.5 dialogues, exchanges or visiting fellowships, co-writing publications, and visits to the institutes. The think tanks we engage with include:

- Airbus Industries and Arianespace (US)
- Asia–Pacific Center for Security Studies (US)
- Begin–Sadat Center for Strategic Studies (Israel)
- Center for a New American Security (US)
- Center for Strategic and International Studies (US)
- Centre for Strategic and International Studies (Indonesia)
- Centre of Excellence for National Security, S Rajaratnam School of International Studies (Singapore)
- Chatham House (UK)
- China Aerospace Studies Institute (CASI) (US)
- Citizen Lab, Munk School of Global Affairs, University of Toronto (Canada)
- Council on Foreign Relations (US)
- Cyber Security Lab, University of Computer Sciences (Myanmar)
- Diplomatic Academy (Vietnam)
- Foreign Policy Community of Indonesia (FPCI) (Indonesia)
- Geneva Centre for Security Policy (Switzerland)
- Hedayah (United Arab Emirates)
- ICT Faculty, Mahidol University (Thailand)
- Indian Centre for land Warfare Studies
- Institute for Cooperation and Peace (Cambodia)
- Institute for National Defense and Security Research (Taiwan)

- Institute for Strategic and International Studies (Malaysia)
- International Military Council on Climate and Security (US)
- International Peace Institute (US)
- Konrad-Adenauer-Stiftung (Germany)
- Mercator Institute for China Studies (Germany)
- National Bureau for Asian Research (NBR)
- New America (US)
- Observer Research Foundation (India)
- Prospect Foundation (Taiwan)
- Regional Australia Institute
- Stimson Center (US).
- Stratbase ADR Institute for Strategic and International Studies (Philippines)
- Sultan Haji Hassanal Bolkiah Institute of Defence and Strategic Studies (Brunei Darussalam)
- The Hague Centre for Security Studies (The Netherlands)
- The Heritage Foundation (US)
- The Interdisciplinary Center (IDC) Herzliya (Israel)
- The Japanese Institute for International Affairs (Japan)
- The National Institute for Defense Studies (Japan)
- The Yokosuka Council on Asia–Pacific Studies (Japan)
- Vivekananda International Foundation (India)
- World Economic Forum Expert Network (Switzerland)

Visiting Fellows

Expert Visiting Fellows exchange information and engage with ASPI, deepening our understanding of a range of domestic and international defence and national security matters. In 2020–21, three Visiting Fellows were on secondment in the ASPI office:

- Dr Paul Barnes (July 2020 – December 2020)
- Dr Robert Glasser (August 2020 – February 2021)
- LTC(P) Todd C Hanks, US Army War College (July 2020 – June 2021).

In addition, ASPI appoints people with long and distinguished careers as ASPI Fellows. They produce a range of written analyses, contribute to ASPI program areas and provide mentoring for staff.

The following people were appointed Fellows throughout the year:

- Vice Admiral Timothy Barrett AO CSC RAN—Senior Fellow
- Dr Anthony Begin—Senior Fellow
- Professor Anne-Marie Brady—Senior Fellow
- Robert Cameron—Senior Fellow
- Professor Robert Clark AO FAA DistFRSN—Senior Fellow
- Campbell Darby DSC AM—Senior Fellow
- Dr Andrew Davies—Senior Fellow
- Graeme Dobell—Senior Fellow
- Hon David Feeney—Senior Fellow
- Rochelle Fittler—Fellow
- Dr John Garnaut—Senior Fellow
- Simeon Gilding—Senior Fellow
- Dr Robert Glasser—Senior ASPI Fellow
- Nick Kaldas APM MAICD—Senior Fellow
- Dr James Leibold—Senior Fellow
- Stephen Loosley AM—Senior Fellow
- Dr Rod Lyon—Senior Fellow
- Anne Lyons—Fellow
- Maria McNamara—Senior Fellow
- Peter Mattis—Senior Fellow
- Stephen Merchant—Senior Fellow
- Sofia Patel—Fellow
- Bill Paterson PSM—Senior Fellow
- Dr Rajiv Shah—Fellow
- David Uren—Senior Fellow
- Senator Vernon White—Senior Fellow.

International dialogues

ASPI supports Australian diplomacy by conducting regular Track 1.5 and Track 2 dialogues with international institutions and government partners; however, many dialogues planned for 2020–21 were postponed due to Covid-19.

During 2020–21, we were involved in organising nine international dialogues (Table 3).

Table 3: International Track 1.5 and Track 2 dialogues, 2020–21

No.	Date	Dialogue
1	18 August 2020	ASPI–KAS Strategic Dialogue
2	1 September 2020	ASPI–KAS Strategic Dialogue
3	18, 19, 24 & 25 November 2020	Be’er Sheva Dialogue co-hosted with the International Institute for Counter-Terrorism (ICT) at the Interdisciplinary Center Herzliya and the Begin–Sadat Center for Strategic Studies.
4	3 December 2020	ASPI–JIIA Track 1.5 Dialogue
5	10 & 12 February 2021	ASPI–CSIS US–Australia Track 1.5 Dialogue
6	9 March 2021	ASPI–JIIA Track 1.5 Dialogue
7	27 April 2021	Quad-Plus Dialogue co-hosted with JIIA, the Heritage Foundation and the Vivekananda International Foundation
8	15 June 2021	Australia–India–Indonesia Trilateral Dialogue, co-hosted with ORF and FPCI
9	22 June 2021	Australia–Indonesia Track 1.5 Dialogue, co-hosted with FPCI

Invitations to speak at international conferences

ASPI’s international standing is reflected in the number of invitations that staff receive to speak at international conferences. In 2020–21, they spoke virtually in the US, Canada and Vietnam. Further details are in Annex E.

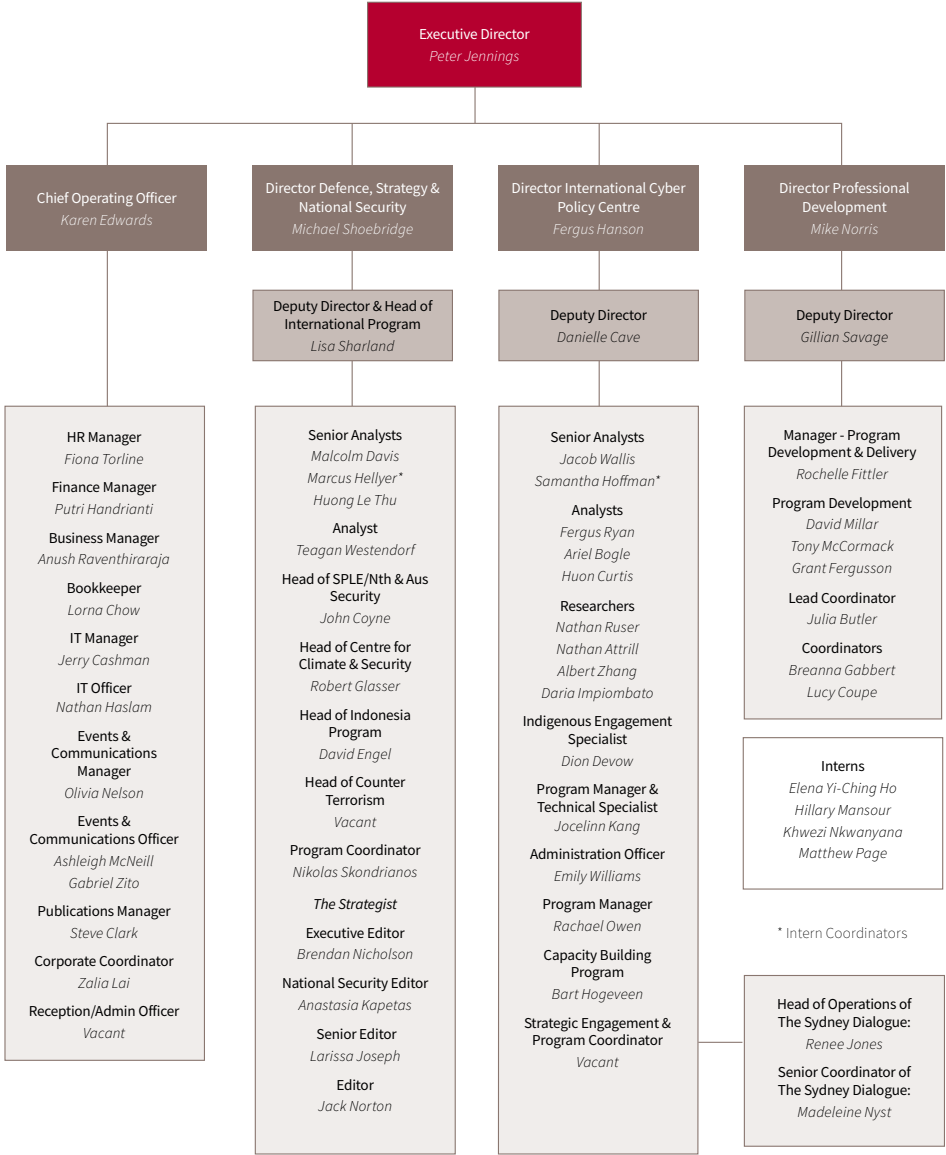
Staffing

In 2020–21, ASPI employed 60 non-ongoing staff: 48 were full time (23 female and 25 male) and nine were part time (six female and three male). ASPI employed three casual staff (one female and two male).

During the year, 23 new staff joined ASPI and 24 staff members departed. There were also two intakes of interns during the year, the first with five and the second with four (nine in total).

Figure 6 shows our organisational structure at 30 June 2021.

Figure 6: Organisational structure at 30 June 2021



Funding

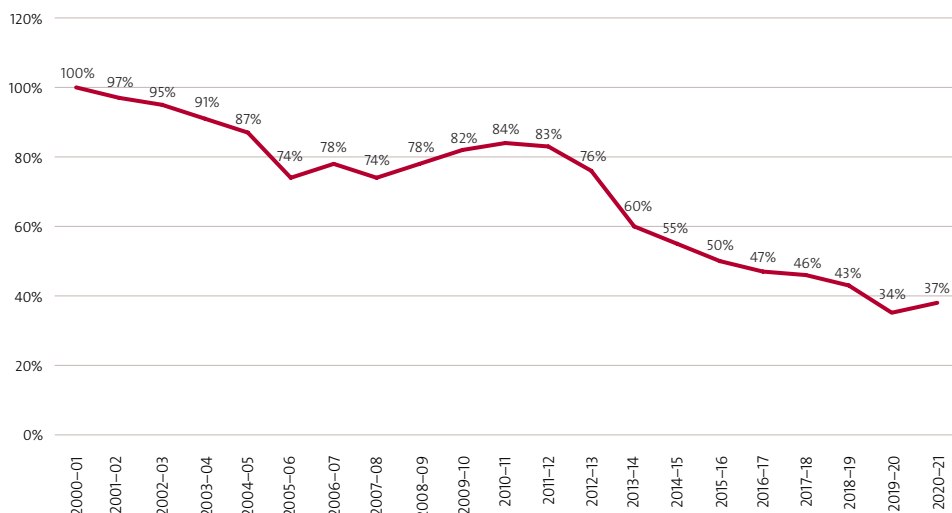
Department of Defence

ASPI entered into a five-year funding agreement with the Australian Government through the Department of Defence. Under the agreement, the department provides ASPI with a one-off grant of \$4 million for each of financial years 2018–19, 2019–20, 2020–21, 2021–22 and 2022–23.

Australian Government funding is a key enabler of our operations. It covers much of our annual employee costs and operating overheads and those elements of the research and events programs that are defined in the funding agreement.

ASPI received a letter of variation for the grant between the government and ASPI to provide operational support to establish an ASPI office in Washington DC over two financial years: 2021–22 and 2022–23. The total of the variation is \$5 million, and the full amount was receipted into ASPI's bank account on 5 June 2021. As this will create a mismatch between income and expenses in the next two financial years, for the purposes of the illustration of ASPI's operation in this financial year (figures 7 and 8), the \$5 million has been excluded.

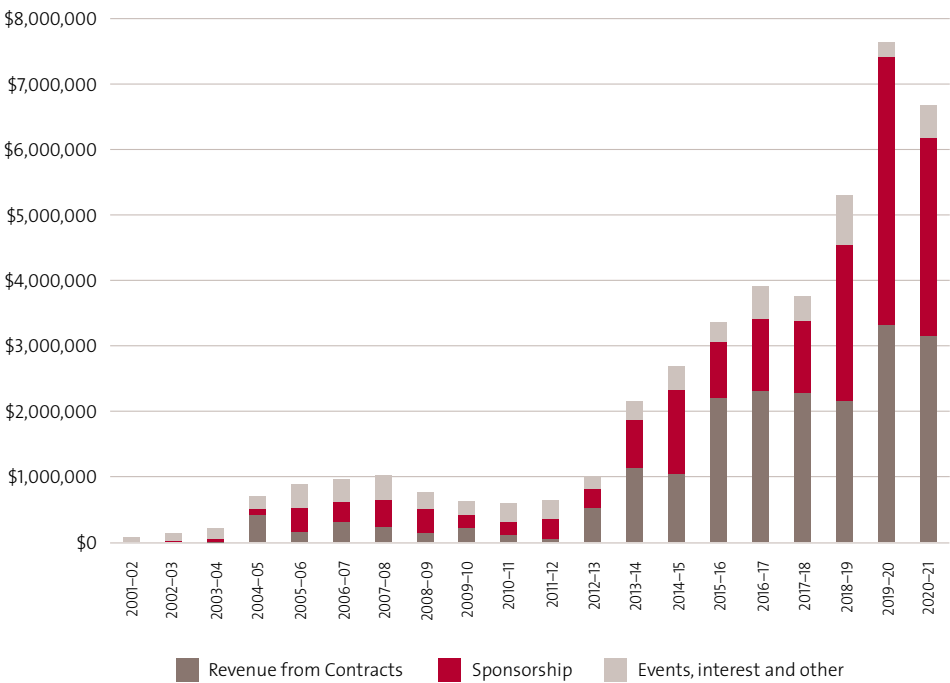
Figure 7: Department of Defence core funding as a proportion of ASPI's total income, 2000–01 to 2020–21



Other sources of funding

The government requires ASPI to develop funding options in addition to the Defence funding agreement to enable the institute to grow and pursue additional research. With the growth of ASPI's areas of research, the percentage of income provided by Defence has been diminishing (Figure 7). Our wider work on non-Defence national security is sustained by other sources of funding, most notably other government entities, through contributions for specific program areas or projects (shown as 'Revenue from contracts' in Figure 8) and from private-sector sponsorship.

Figure 8: Sources of income other than Department of Defence core funding, 2001–02 to 2020–21



Sponsorship is also an important source of additional funding for ASPI and is the key enabler for many events. We have worked hard to secure sponsors and in 2020–21 continued to foster deeper relationships with sponsors through our corporate sponsorship program. Under the program, ASPI seeks continuing commitments from private enterprises that share our objectives for national security and public debate, while unambiguously maintaining our independence in research, publications, advice and comment.

Other additional income derives from event registration fees and interest on retained funds ('other' in Figure 8).

Corporate sponsors during 2020–21 were:

- .au Domain Administration Ltd
- Amazon Web Services Australia Pty Limited
- Attorney-General's Department
- Australian Army Headquarters
- Australian Army Research Centre
- Australian Civil-Military Centre
- Australian Defence Force
- Australian Defence Force Academy
- Australian Federal Police
- Australian Public Affairs
- Australian War College
- BAE Systems Applied Intelligence Pty Ltd
- Boeing Australia Holdings Pty Ltd
- Center for Strategic & International Studies
- Cyber CX
- Cyber Security Cooperative Research Centre Limited
- Deakin University
- Department of Defence
- Department of Foreign Affairs and Trade
- Department of Home Affairs
- Department of Industry, Science, Energy and Resources
- Department of the Prime Minister and Cabinet
- Department of Agriculture, Water and the Environment
- Director-General of Workforce Planning, Department of Defence
- DST Group
- Embassy of Japan
- Embassy of Sweden
- Facebook Australia
- Facebook Inc (US)

- Federal Department of Foreign Affairs
- Foreign, Commonwealth & Development Office (UK)
- Google Australia
- Government of Canada
- HMAS Adelaide
- HQ Combined Arms Training Centre
- Institute for Economics & Peace
- Institute for War & Peace Reporting
- International Committee of the Red Cross
- Jacobs Australia
- Konrad Adenauer Stiftung Australia & Pacific Ltd (KAS)
- Lockheed Martin
- McKinsey & Company
- Microsoft Pty Ltd
- Ministry of Foreign Affairs of the Netherlands
- New Zealand Ministry of Foreign Affairs and Trade
- Northern Territory Government
- NSW Police Force
- Oracle Corporation Australia Pty Limited
- Palo Alto Networks (Australia) Pty Ltd
- Property Council of Australia Ltd
- Providence Consulting
- QinetiQ Australia
- Rafael Australia Pty Ltd
- Royal Australian Air Force
- Royal Australian Navy
- Thales Australia
- The Royal Military College
- Trustwave
- United Nations Institute for Disarmament Research
- US Embassy Canberra



Chapter 2

Programs



In 2020–21, ASPI’s core work in the strategic policy field focused on broad strategic policy settings, the global and regional security environments, the operational needs of the ADF, the development of defence capabilities, and issues associated with defence funding and budgets. Over the years, ASPI has made nationally recognised contributions in all those fields. They remain central to our work agenda even as we expand to embrace new programs and responsibilities.

Research staff conduct their work in program areas organised under two themes:

- Defence, Strategy and National Security
- International Cyber Policy Centre (ICPC).

Defence and strategy

Defence, Strategy and National Security Program

Michael Shoebridge

Rod Lyon

John Coyne

Leanne Close

Lisa Sharland

Marcus Hellyer

Huong Le Thu

Malcolm Davis

Genevieve Feely

Aakriti Bachhawat

Charlie Lyons Jones



Over 2020–21, ASPI’s Defence, Strategy and National Security Program centred its analysis on the increasingly close connections between security, technology and economics, along with the implications of the four Cs: Covid, China and climate change.

Australia’s rapidly deteriorating strategic environment and the equally rapid continuing pace of technological change over the year resulted in a recognition in much of the program’s analysis that a greater urgency is required in many areas of national security policy and action. That applies to engagement with Australia’s Pacific family through the government’s Pacific Step-up, in reconfiguring supply chains for critical defence inputs, in reassessing Australia’s military posture and ability to project force from our north, and in the implementation and design of future capability programs by the Defence organisation.

However, the more difficult decisions continued to be in the area of China policy. The program produced analysis that can assist Australian policymakers operating in the newly coercive environment established by Beijing and navigating the dense interconnections between trade, technology, strategy and security. The year also allowed the program to identify the rapidly accelerating momentum in Australia's defence and technology relationships with our US ally and other partners, and the more confident emerging cooperation between the world's major democratic powers and economies, both as they recover economically from the first, heavily damaging, phase of the pandemic and as they begin to confront the challenge of an assertive Chinese state collectively.

On Australia's own defence policies, structures and spending, the program provided a critical assessment of implementation of the government's 2020 Defence Strategic Update and made recommendations about key aspects, such as managing the workforce pressures and ensuing value for money from the growing external defence workforce, assessing the implementation of major investment programs for submarines, frigates and armed reconnaissance helicopters, and setting out factors that will drive success for the new sovereign guided weapons enterprise. The program also analysed how space, cyber and autonomous systems can contribute to Australian security in practical ways as complementary capabilities to systems that the ADF already operates, and the implications for Australia's defence of others having access to and adopting such new technologies at speed.

National security

Five interlinked program areas combine to provide comprehensive coverage of national security issues. A modern approach to national security must be designed to respond to major security threats as they affect citizens, rather than just the institutions of the state.

Counter-Terrorism Policy Centre

Leanne Close



Counterterrorism (CT) is entering its third decade as a priority for Australia and key security partners. The threat from terrorism is now more diffuse and dispersed but still a potential source of casualties for Australia domestically and internationally. The CT program conducted research on the impact of online platforms, media and technology on terrorism, as well as assessing trends in global terrorism, progress in countering violent extremism and setting out policy recommendations for limiting terrorists' ability to finance their activities.

The need to reassess longstanding, successful, CT partnerships informed the program's work, both as the relative priority of CT activities in Australia and elsewhere shifted, and as long military deployments in Afghanistan and the Middle East wound down. The program began work to provide policy recommendations for Australian agencies responding to those larger international shifts in CT focus and resourcing. It also identified emerging issues, including the rise of right-wing extremism as it interacts with Islamist extremism, and the growing contestation in international forums and other bodies about what terrorism is that is part of intensifying strategic competition.

Indonesia Program

Dr David Engel

ASPI's Indonesia Program aims to influence the Australian policy debate on how to advance the relationship with our northern neighbour against the increasingly complex and challenging backdrop of the Indo-Pacific region.

Since its recent establishment in September 2020, the program has focused on developing and strengthening ties with the Australian and international policy community concerned with Indonesia, especially its politics, economy and international and strategic policy settings. This has involved contacts with senior Australian Government representatives, foreign embassy officials, the Australian and overseas academic community, and think tanks in Indonesia, the US, India, Singapore and Europe. This has helped to raise ASPI's profile on this important subject for Australian foreign policy and strategic affairs and has provided a platform for a more expansive program of work.

In this context, the program collaborated with the Indonesian Foreign Policy Community (IFPC) and India's Observer Research Foundation to organise a trilateral 1.5 dialogue that brought senior government representatives from the three countries together with prominent commentators on regional strategic affairs. It also worked with the IFPC to hold a bilateral 1.5 dialogue focused on how best to take forward the Australia–Indonesia bilateral relationship and to address the countries' shared strategic challenges. The planning and management of those exercises began in the early part of 2021 and culminated in both events being successfully staged in June.

In April, the head of the program, David Engel, initiated and began co-authoring a project on the emerging Indonesia–Japan strategic relationship that will result in the publication of an ASPI Special Report later in the year. The work is co-authored with Dr Nobuhiro Aizawa, who is a Japanese academic specialising in Southeast Asian political and strategic affairs, and ASPI intern Hillary Mansour.

Dr Engel and ASPI's senior Southeast Asia analyst, Huong Le Thu, also began work on a joint project on the crisis in Myanmar and, specifically, on Indonesia's performance as ASEAN's *de facto* leader in responding to the coup and the violence it has precipitated.

Work on staging a futures scenario exercise, Indonesia 2030, was postponed in 2020–21 but will be revived with a view to staging the event in the next reporting period.

Work also started on a podcast series on Indonesia since the end of the Suharto era in 1998, as seen through the eyes of Australia's ambassadors to Indonesia over that period.

Dr Engel has also written a series of articles on Indonesian political, foreign policy and strategic themes and overseen work by Hillary Mansour in the same areas. He has been invited to brief senior business representatives and parliamentary staff on Indonesian affairs and was an invited speaker on the Indonesian military in a virtual conference staged by the French Institute of International Relations (IFRI) on 12 May.

Strategic Policing and Law Enforcement Program

John Coyne

Teagan Westendorf



The Strategic Policing and Law Enforcement Program examines law enforcement's contributions to national security and to broader strategic policy and the threat posed by transnational serious and organised crime.

The program focuses on:

- analysing the link between law enforcement issues and national security concerns
- the contribution of law enforcement agencies to Australia's international objectives
- the scope and nature of Australia's and the region's transnational serious and organised crime threat
- research that helps law enforcement agencies position themselves for the future.

In 2020–21, the program focused on technological innovation, the impacts of Covid-19 on transnational serious and organised crime, and illicit drug production in the Mekong region. The program contributed to a number of joint parliamentary inquiries. The program was also involved in the drafting of the Delta 8.7 Justice Policy Guide offering best practice justice policy on ending forced labour, modern slavery, human trafficking and child labour.

During the year, we made significant policy and opinion contributions to domestic and international print, radio and television media.

We also made contributions to the Border Control Agency Management and Regional Law Enforcement Management programs.

Our research resulted in the production of the following reports during the year:

- *'High rollers' A study of criminal profits along Australia's heroin and methamphetamine supply chains*
- two chapters for the 2020 *Counterterrorism yearbook*
- a chapter for the book *After Covid-19* (volume 2).

The program continued to produce opinion pieces and *The Strategist* posts, to provide media commentary on law enforcement and organised crime issues and to deliver invited presentations at national and international forums on emerging issues in this field.

Northern Australia Strategic Policy Centre

John Coyne

Teagan Westendorf

Established in 2019, the Northern Australia Strategic Policy Centre provides a sustained defence, national security and nation-building research focus on Australia's north.

With the support of the Northern Territory Government, ASPI has established two programs of work under the auspices of its Northern Australia Strategic Policy Centre: The North and Australia's Security and Nation-building in the North.

The programs provide a sustained research focus on nation-building and the security of Australia's north. A critical element of this work is the exploration of the north's critical role in contributing to the broader security of Australia. The program concentrates on:

- maintaining a strong public policy focus on the role of the north in the broader security of Australia at a time when strategic circumstances are driving new policy thinking in Canberra
- developing a modernised way of thinking about the north and security by updating strategic frameworks that remain anchored in the 1980s 'defence of Australia' context
- situating the north in a broader discussion about national security interests beyond defence—encompassing home affairs, border security and customs, space, cybersecurity, humanitarian and disaster response, biosecurity and energy security.

The strategic importance of Australia's north to Australia's defence has long been recognised by governments and policymakers. Despite strategic policy commitments to northern Australia, there is a growing body of evidence indicating that the gap between strategic policy and Defence's activities and presence in the north is widening. This could well be symptomatic of a gap in Australia's northern development policies.

Since the publication of the 2016 Defence White Paper, Australia's strategic environment has deteriorated significantly and can be characterised as increasingly unpredictable. For a third time since federation, Australia's government must seriously consider continental defence and national security. But that thinking must go well beyond continental defence to include force projection, enhanced regional surveillance and support for the new US approach to force posture in the Pacific and contribute to national resilience and broader defence capabilities.

To date, Australia's defence strategy remains focused on taking advantage of the country's strategic geography. In this construct, maritime security is critical to the defence of Australia. Similarly, self-reliance through the support of a sovereign defence industry has been central. Of course, much thought has also been applied to the challenge of war's newest domains: the cybersphere and space.

Today, there is an increasing body of public discourse on Australia's strategic outlook, its defence strategy and the ADF's future force structure and posture. In sharp contrast, there has been no substantial public policy dialogue on the role of northern Australia in defence strategy and national security since the late 1980s.

In addition to the continued publication of the highly successful North of 26 Degrees South *Strategist* series, the program's research resulted in the production of the following reports during the year:

- Strategic Insights report: *North of 26 degrees south and the security of Australia: views from The Strategist* (volume 3)
- Special Report: *'Thinking big!': Resetting Northern Australia's national security posture*
- Special Report: *Collaborative nation building: Port of Townsville case study*
- Strategic Insights report: *Stronger together: US force posture in Australia's north—a US perspective on Australia's strategic geography.*

The program continued to produce opinion pieces and *The Strategist* posts, to provide media commentary on the north and Australia's security and to deliver invited presentations at national forums on emerging issues in this field.

International Program

Lisa Sharland

Genevieve Feely



ASPI's International Program explores challenges and opportunities for Australia as they relate to maintaining international peace and security. It also contributes to broader international research efforts on multilateral security issues. The program aims to:

- deepen understanding within Australia and internationally of global security issues and multilateral peace operations
- facilitate engagement among key stakeholders in government, the private sector and civil society on issues relating to international peace and security
- provide policy advice on emerging challenges and opportunities for Australia to contribute to efforts to maintain international peace and security.

In 2020–21, the program focused on three strands of work:

- multilateralism and the UN peace and security agenda, with a focus on the reform of UN peace operations and the protection of civilians
- women, peace and security (WPS)
- Australia's relationship and engagement with Africa.

The program continued to focus on the delivery of major projects throughout the second half of 2020, examining the contributions of countries in the Pacific to UN peacekeeping. The project, being undertaken with the support of the Australian Civil-Military Centre, delivered a Special Report examining the different objectives and priorities of countries in the region when it comes to deploying personnel to UN peace operations. The head of the International Program, Lisa Sharland, and researcher Genevieve Feely co-authored the report, which was launched at an event in Canberra in December 2020 and received media coverage in the Pacific region. Prior to the report's launch, the co-authors appeared at a hearing of the Joint Standing Committee on Foreign Affairs, Defence and Trade's inquiry into Defence engagement with Pacific island nations in July 2020, and some of their reflections were incorporated into the committee's report released in April 2021.

The program supported the delivery of ASPI research reports focused on policy options for Australia to respond to a post-Covid world. Lisa Sharland served as a co-editor (with Michael Shoebridge) on *After Covid-19: Australia, the region and multilateralism* (volume 2), and Genevieve Feely was co-editor (with Peter Jennings) of *After Covid-19: Voices from federal parliament* (volume 3). They also contributed as authors to the publication series, providing analysis on peacekeeping, multilateralism and gender equality.

Program staff also continued to engage in collaborative research projects with other think tanks and researchers. Lisa Sharland and Genevieve Feely worked with colleagues from ICPC and an external consultant throughout 2020–21 on a forthcoming publication for the UN Institute for Disarmament Research examining the linkages between WPS and cybersecurity. Lisa Sharland authored two research papers for the International Peace Institute: *Bouncing back from rock bottom: a new era for the UN Special Committee on Peacekeeping Operations?*

and *Women, peace and security mandates for UN peacekeeping operations: assessing influence and impact*. She also engaged in research for a project for the Effectiveness of Peace Operations Network examining the UN missions in Cyprus.

WPS remained an ongoing priority for research and engagement. The program contributed to activities that informed government and public stakeholders and fostered engagement and debate on women, peace and security. This included participation in presentations to a diverse range of stakeholders at domestic and international workshops (hosted virtually) throughout the year, the participation of ASPI's head of the International Program in events with Australia's Ambassador for Gender Equality on the 20th anniversary of the WPS agenda, a women in leadership forum as part of Australia–Africa week in Perth, the Women's Civil Society Defence Dialogue hosted by the Humanitarian Advisory Group, and a seminar hosted by the ADF's Peace Operations Training Centre.

The program's engagement on WPS continues to complement activities being undertaken as part of ASPI's Women in Defence and Security Network, as well as interviews on ASPI's *Policy, Guns and Money* podcast. Through 2020–21, that included interviews on substantive aspects of the WPS agenda.

The program continued to foster public debate and discussion through the delivery of presentations on a range of topics, including the protection of civilians, peacekeeping and women, peace and security at seminars and conferences hosted by the Australian War College, the Australian Civil-Military Centre and the Department of Foreign Affairs and Trade.

In terms of Australia–Africa engagement, Lisa Sharland continued to engage as a member of DFAT's Advisory Group on Australia–Africa Relations and take part in discussions on security at the annual Africa Down Under conference in Perth. Program staff also supported the delivery of a special episode of the ASPI podcast for Africa Day 2021.

Climate and Security Policy Centre

Robert Glasser



The Climate and Security Policy Centre (CSPEC) was established in April 2021. Its objectives are to:

- evaluate the impact climate change will have on security in the Indo-Pacific region, including by identifying the most likely paths through which disruptive climate events (individually, concurrently or consecutively) can cause cascading, security-relevant impacts such as disruptions of critical supply chains, energy insecurity, food insecurity, separatist movements, humanitarian disasters, population displacement, opportunistic intervention by outside powers, political instability and conflict

- develop practical, evidence-based policy recommendations and interventions to reduce climate change risks and promote their adoption by policymakers
- increase Australian and regional expertise, understanding and public awareness of the links between climate change and national security
- identify the implications of those links for key stakeholders, including the ADF, the Department of Foreign Affairs and Trade, other government agencies, parliamentarians and the private sector.

With conceptual support from ASPI's *The Strategist* editor Anastasia Kapetas, the CSPC began developing three main initiatives in the first three months of its establishment. The first was a major book project on climate and security in the Indo-Pacific, which is supported by a generous grant from the Konrad-Adenauer-Stiftung in Germany (KAS). The book, which will include contributions from many experts across different disciplines, focuses on the human security dimensions, state security and violence, and economic security dimensions of climate change. The chapter authors will draft their contributions with reference to a 2035 climate scenario, which is also under development by the CSPC. The book is scheduled for publication late in 2021.

The second initiative is focused on climate and food insecurity in Australia's immediate region. It will involve convening experts and policymakers from diverse disciplines to evaluate how climate change, and particularly the prospect of compound hazards with cascading societal impacts, will affect food security in maritime Southeast Asia and will identify and evaluate the knock-on impacts for Australia, as well as developing policy interventions that minimise the risks and impacts.

The third initiative is focused on designing a government architecture for Australia to address the very large-scale threats that are rapidly emerging as the climate continues to warm. Current government efforts in the climate sphere are incremental, siloed in government bureaucracies and lack coherence. This initiative will commence with broad consultation across government departments and the intelligence agencies and with experts outside of government. It will also draw upon experience in other countries, such as the US, which is currently embedding climate change as a core focus across the government. The initiative's timing and precise deliverables will be determined later in 2021.

The head of the CSPC, Robert Glasser, also engaged in a variety of other activities during 2020–21, including publishing op-eds, blogs and press interviews (*Sydney Morning Herald*, *The Conversation*, ABC radio, UNDP regional, *The Strategist* and *Policy, Guns and Money*), briefings for government (Home Affairs, Office of National Intelligence, Bureau of Meteorology, DFAT) and for federal ministers (such as David Littleproud), as well as delivering one lecture (ASPI's Niagara Program) and keynote addresses (Queensland Disaster Management Conference; Federation of First Nations, Canada).

ASPI Professional Development

Staff

Lucy Coupe
Mike Norris
Gillian Savage
Tony McCormack
David Millar
Anne Lyons
Grant Ferguson
Rochelle Fittler
James Bronson (until January 2021)
Julia Butler
Breanna Gabbert

Senior Fellows

Timothy Daly
Campbell Darby
Vice Admiral Tim Barrett AO CSC RAN (Ret'd)
William Paterson
David Feeney
Stephen Merchant
Steve Meekin

ASPI Professional Development (PD) programs and workshops are short, intense and highly interactive. Developed for the highest levels of federal, state and territory government departments and agencies, these programs deliver a unique capability to build Australia's capacity for strategic policy excellence.

PD programs foster close engagement between subject-matter expert facilitators and presenters and participants to explore current and emerging policy challenges and build effective policymaking and strategic analysis skills. This experience is enhanced through our use of real-world scenarios, case studies, simulations and desktop exercises, in which participants address current and emerging strategic policy and operational issues. Through those exercises, participants are able to directly develop and apply a range of policy development skills, bringing context and meaning to the learning objectives and ensuring relevance for their current and future roles.

Delivered by PD's core team, PD programs are supplemented by subject-matter experts who have deep expertise in all areas of national security and policy development. Our facilitators and presenters include current and retired senior government and Defence personnel, leading industry experts and the best academics from across Australia and internationally.

Through our programs, PD broadens understanding of and lifts capability in strategic thinking by collaboratively and innovatively applying our diverse expertise to design and deliver tailored, real-world programs and solutions. Bespoke program design ensures that facilitators and presenters are carefully matched to each activity so that participants engage with relevant experts, leading-edge thinking and best practice.

All programs are delivered in a purpose-built, state-of-the-art facility that enables open and candid discussion, reinforced through controlled swipe and coded door access, that enables sensitive conversations to be conducted throughout the day, including during catered breaks.

In 2020–21, PD designed and delivered a wide range of diverse programs and services for government departments and agencies, as well as opening a new program delivered to both public- and private-sector employees. We facilitated 22 workshops and programs for more than 360 personnel, supporting the key development of strategies, policies and personnel.

Having developed and established a robust risk management strategy for delivering face-to-face programs in the new 'Covid-normal' environment, we delivered programs throughout the year. We continued to build upon our existing programs, and new opportunities were constantly pursued. As priorities and challenges facing government evolved, we continued to develop new programs and solutions to build capability in government.

Key programs delivered in 2020–21 are highlighted below.

Crafting Better Policy for Improved Decision-Making workshops

The Crafting Better Policy workshops are delivered to Defence personnel in three variants: Strategy, Administration, and Graduates or New Starters.

The Strategy variant examines policy through the lens of Defence's contribution to national and international security and government decision-making. The Administration variant focuses on developing internal Defence policy. The Graduates or New Starters workshops are tailored for either graduates or those new to the Defence policymaking process, providing an effective introduction to key areas of Defence policymaking in the Canberra environment.

In 2020–21, the centre delivered eight Crafting Better Policy workshops for 129 Defence public service and military personnel. Participants from each of the variants advised that the program greatly improved their understanding of Defence policymaking.

Intermediate Better Policy workshops

Intermediate Better Policy workshops, previously referred to as 'Advanced' workshops, span two days and offer a more in-depth and hands-on experience than the 'Crafting' workshops. The additional time in these programs enables participants to gain greater insights into policy analysis, enhancing their strategic and critical thinking, and stakeholder engagement. It also affords the opportunity for participants to work with practical policymaking tools to a greater extent through a real-world practical scenario spanning both days.

In 2020–21, PD worked with Defence’s Strategy, Policy and Industry team to deliver five Intermediate workshops to more than 60 personnel. Participants provided essential feedback that was incorporated to further enhance the course. A common theme throughout the feedback was an appreciation for the space to think and understand how the tools discussed can be used in a real-world context. The constant access to advice and guidance from expert facilitators and presenters was another highlight for participants.

Focused workshops and programs

Focused workshops and programs are designed in partnership with government departments, agencies, groups or services to meet specific requirements and produce targeted outcomes.

They can be designed to build discrete policy skills, provide direct support for the development of policies, frameworks, strategies and plans, develop and test new business models, or foster senior executive policy leadership.

In 2020–21, PD designed and delivered three bespoke focused workshops for the Military Strategic Plans Division of Defence, targeting the division’s identified requirements for strategic thinking.

Invitation-only masterclasses

PD’s invitation-only masterclasses bring together subject-matter experts and senior leaders for an in-depth examination of an emerging strategic policy challenge facing Australia and to identify options to address that challenge. The theme and design for each masterclass are developed in close consultation with key stakeholders and target their highest priority challenges.

Senior ASPI staff, subject-matter experts and strategic leaders facilitate the day, which provides expert and timely advice and facilitates open and frank discussions on portfolio-wide issues in a non-public setting.

Although PD did not deliver any masterclasses in 2020–21, we continue to discuss options for the design and delivery of masterclasses with existing and potential partners.

Red teaming and desktop scenario exercises

Red teaming and desktop scenario exercises are designed to test and evaluate the development of strategies, policies, frameworks and strategic-level plans. PD adopts an outcomes-driven approach to designing realistic scenarios to ensure that each activity is fit for purpose and delivers real outcomes to support the implementation of effective national security strategies and policies.

PD did not deliver any red teaming or desktop scenario exercises in 2020–21. We continue to discuss options for the design and delivery of these activities with existing and potential partners.

Royal Australian Air Force professional development

In 2020–21, PD partnered with the RAAF to revise and deliver two levels of tailored professional development: a 10-day senior officer program and an 11-day program for officers selected for staff college.

Senior Officer Professional Development Program—Niagara

PD designed the Niagara program for selected senior air force personnel. Following the disruptions caused by the initial outbreak of the Covid-19 pandemic, the 2019–20 program was pushed back to September 2020, with another iteration of the program to be delivered as per regular scheduling in May 2021.

This program has been designed to equip senior air force personnel for promotion, with a high level of strategic comprehension, and to foster skills in articulating the importance of national security and air power with confidence. A series of high-level presentations, discussions and activities is conducted throughout an intense two weeks, delivered by Australia's most experienced public service, military and academic leaders.

Participants highlighted the access to whole-of-government and academic presenters in this program, affording a diverse range of discussions and exposing them to new ideas and ways of thinking. Feedback also indicated participants enjoyed the varied range of topics covered in the program, all of which they found significant and important to discuss, given the current strategic environment.

Air Practitioners in a Joint Environment Program

PD revised and delivered two sessions of the Air Practitioners in a Joint Environment program in 2020–21 for RAAF officers selected for the Australian Command and Staff Course.

This 11-day program was designed to enhance the air power mastery of high-performing squadron leaders and to prepare them for attendance at the Australian War College Command and Staff Course and subsequent command and staff appointments. The program provides participants with the knowledge, tools, context and awareness to communicate with influence on air power and develops their strategic comprehension, thinking and communication skills. The program also includes an essay-writing and expert mentorship element to assist participants with their academic skills.

Feedback provided by participants demonstrated an appreciation for ASPI's access to an impressive range of expert speakers who raised thinking on critical topics, as well as acknowledging how valuable the course was for their professional development by expanding their perspective on current domestic and international issues.

Thinking and Communicating Outside the Box

A new program delivered by PD in 2020–21 was the Thinking and Communicating Outside the Box program. This program, designed and facilitated by Australian playwright and author Timothy Daly, develops the professional thinking and communicating skills of individuals from across the public and private sectors. It is designed to enhance their unique contribution to tackling the most complex problems in government, business and private enterprise.

The program is highly interactive, developing each individual's lateral thinking, original analysis and problem-solving skills, creatively written and spoken expression, persuasive speaking and multiple viewpoint skills. Feedback from participants highlighted the benefits of a varied group from different organisations and backgrounds that enriched discussion. Participants appreciated learning new techniques and being challenged in such an interactive and supportive environment.

International Cyber Policy Centre



Nathan Attrill	Elsa Kania, Non-resident Fellow
Erin Bassett	James Leibold, Non-resident Senior Fellow
Ariel Bogle	Lin Li
Danielle Cave	Kelsey Munro
Huon Curtis	Madeleine Nyst
Dion Devow	Rachael Owen
Audrey Fritz	Anush Raventhiraraja
Hannah Green	Nathan Ruser
Fergus Hanson	Fergus Ryan
Samantha Hoffman	Tom Uren
Bart Hogeveen	Jake Wallis
Tilla Hoja	Emily Williams
Daria Impiombato	Albert Zhang
Renee Jones	
Jocelinn Kang	

ASPI's International Cyber Policy Centre (ICPC) is a leading voice in global debates on cyber, emerging and critical technologies, foreign interference, information operations and disinformation and issues related to democracy, human rights and international security.

The centre's work is agenda setting and focuses on the impact those issues have on broader strategic policy. The centre informs public debate globally and supports policy development in the Indo-Pacific region by producing original, empirical, data-driven research.

ICPC has a growing mixture of expertise and skills from teams of researchers who concentrate on policy; technical analysis; information operations and disinformation; critical and emerging technologies; cyber capacity building and internet safety; Indigenous STEM and gender issues; satellite analysis; surveillance; human rights; and China-related issues.

To develop capability in Australia and across the Indo-Pacific region, ICPC has a capacity-building team that conducts workshops, training programs and large-scale exercises for the public, private and civil society sectors. Current projects are focused on capacity building in Southeast Asia and the Pacific islands region, across a wide range of topics. The centre enriches regional debates by collaborating with civil society groups from around the world and by bringing leading global experts to Australia through our international fellowship program, including the former Commander of the US Cyber Command and Director of the National Security Agency, Admiral Michael Rogers.

Some of our larger projects and programs also have their own websites, including:

- [The Sydney Dialogue](#)
- [auCheck](#) (a public internet security and standards tool)
- [Mapping China's Technology Giants](#) (relaunched in June 2021)
- [The Xinjiang Data Project](#)
- [The IndigiCyber, Defence & Space Program](#)
- the [China Defence Universities Tracker](#) (updated May 2021)
- [Mapping conditions in Rakhine State](#).

ICPC continued to grow in size and scope in 2020–21, which was an extremely busy year for research publications, project launches, domestic and international policy engagement, staff recruitment and fundraising. During the year, the centre fielded an unprecedented number of global and domestic briefing requests from politicians, governments, corporates, civil society actors and the media.

Conducting and publishing research

In the second half of 2020, ICPC published a wide range of research reports, including on a trusted 5G ecosystem (Dr Rajiv Shah); TikTok and WeChat curating and controlling global information flows (Fergus Ryan, Audrey Fritz, Daria Impiombato); coercive diplomacy (Fergus Hanson, Emilia Currey, Tracey Beattie); a survey of Chinese-language media and WeChat in Australia (Alex Joske, Lin Li, Alexandra Pascoe, Nathan Attrill); leveraging government procurement to improve cybersecurity and supply chains (Dr Rajiv Shah); the CCP's global search for technology and talent (Alex Joske); cyber-enabled foreign interference in elections and referendums (Sarah O'Connor, Fergus Hanson, Emilia Currey, Tracey Beattie); and China's Central Bank Digital Currency (Dr Samantha Hoffman).

In addition, the centre published a 10-part quick turnaround series of investigative and data reporting on Covid-19 disinformation and social media manipulation. The series analysed both state (China, Russia, Iran) and non-state actors (conspiracist groups) that are manipulating the information environment to exploit the Covid-19 crisis for strategic gain.

Some of this research involved new partnerships with other think tanks. For example, one project—Critical technologies and the Indo-Pacific: a new India–Australia partnership (Danielle Cave, Aakriti Bachhawat, Jocelinn Kang, Dr Rajeswari Pillai Rajagopalan, Trisha Ray)—involved partnering with India's largest think tank, the Observer Research Foundation (ORF). Spinning off this project, ASPI and ORF are now partnering on other projects focused on critical technologies and Southeast Asia.

In the first half of 2021 ICPC released reports that argued for an Australian strategy for the quantum revolution (authored by quantum academics Gavin Brennen, Simon Devitt, Tara Roberson and Peter Rohde, coordinated by Danielle Cave); a report that revealed the CCP's coordinated information effort to discredit the BBC and push propaganda and disinformation about Xinjiang through US social media networks (Albert Zhang, Ariel Bogle, Jacob Wallis); and work that looked at how digital government services need to build for peak online demand (Tom Uren).

In addition to publishing under the ASPI brand, staff also occasionally publish for other think tanks and popular publications to get ASPI's work out to new and different domestic and global audiences. For example, in April 2021, Danielle Cave and Jake Wallis published an essay for India's Raisina Dialogue exploring how policymakers could defend democracies from disinformation and cyber-enabled foreign interference in the Covid-19 era. And, in September 2020, Danielle Cave contributed a chapter to the Australian Foreign Affairs book *Spy vs spy: the new age of espionage* looking at how Covid-19, data, cyberspace and technology are changing spycraft.

Providing an alternative source of strategic policy ideas and advice

ICPC's published research was supplemented by ongoing engagement with governments, industry and civil society. In Australia, the centre's staff regularly engage in briefings with politicians, make submissions to parliamentary inquiries and appear at hearings.

For example, in July 2021, Fergus Hanson and Tom Uren provided evidence to the Parliamentary Joint Committee on Intelligence and Security for the public hearing review into the Security Legislation Amendment (Critical Infrastructure) Bill 2020 and statutory reviews of the *Security of Critical Infrastructure Act 2018*. In May 2021 Danielle Cave and Fergus Hanson made a submission to the Senate Committee on Foreign Affairs, Defence and Trade on funding for public research into foreign policy issues, starting a subsequent debate on the *The Strategist* following their submission.

In October 2020, ICPC launched its new IndigiCyber and STEM Pathways projects at an in-person event at ASPI involving Australian Government departments and Indigenous cyber businesses. Defence Deputy Secretary and Indigenous Champion Stephen Grzeskowiak gave the keynote address. This project, which will run into 2022, is partly funded by a grant from the Department of Defence that ICPC was awarded in 2020. Still in its inaugural year of operation, this new program focuses on the broad strategic policy settings in Australia that affect Indigenous Australians in cybersecurity, defence and space. It explores how Defence can deepen STEM education pathways, develop Indigenous businesses within the defence and space aligned sectors, support entrepreneurialism in cybersecurity and information technology,

and promote workplace diversity initiatives in recruitment and retention. The program also works to foreground the unique skills and perspectives of First Nations Australians in discussions on issues that affect them and in the formulation of solutions and aims to champion Indigenous issues and the work of future leaders and experts.

In 2020, ICPC launched its most globally ambitious activity—The Sydney Dialogue initiative—which we aim to make the world’s premier summit for emerging, critical and cyber technologies. Announced by Foreign Minister Payne in December 2020, this annual dialogue will bring together political, business and government leaders with the world’s best strategic thinkers to debate, generate new ideas and work towards common understandings of the opportunities and challenges posed by emerging and critical technologies. We want this dialogue to help fill a critical gap and push global discourse and policymaking into a new, more forward-leaning phase. As we are an Australian think tank, it will take a natural focus on the Indo-Pacific, while also helping to highlight views, priorities and ideas from across the region.

We hope that, over time, this new dialogue will rise to the stature of—and complement—the Indo-Pacific’s already well-respected and influential dialogues, including Singapore’s Shangri-La Dialogue, hosted by the International Institute for Strategic Studies, which brings together the defence community, and India’s Raisina Dialogue, which brings together the foreign policy community and is hosted by the Observer Research Foundation.

Promoting international understanding

During 2020–21, ICPC’s published research was supplemented by ongoing engagement with governments and policymakers from around the world. Staff regularly brief foreign governments and are invited to provide evidence to parliamentary, senate and congressional committees in Australia, the UK, the US and across Europe. For example, in March 2021, Samantha Hoffman contributed oral evidence to the UK House of Commons Foreign Affairs Committee on Xinjiang detention camps, and in April 2021 she spoke at the US–China Economic and Security Review Commission on the CCP’s economic ambitions, plans and metrics of success. Other examples include ICPC staff speaking at conferences hosted by think tanks and governments in Singapore on vaccine diplomacy; India on critical technologies; the Czech Republic on 5G issues; and the UK, the US, Europe and India on Chinese technology issues.

The centre supported the development of cyber confidence-building measures across the region and worldwide through a number of in-person activities, which we delivered virtually in 2020–21 because of Covid-19. In 2020, and as a part of our ongoing cyber capacity-building and collaboration with the UK Foreign, Commonwealth and Development Office and the Australian Department of Foreign Affairs and Trade, we released a series of videos and graphics about the UN cyber norms in more than a dozen languages.

The Xinjiang Data Project remains ICPC's most read and globally impactful program of work. It was launched in September 2020 by the centre's Xinjiang Team at the time (Kelsey Munro, Nathan Ruser, Vicky Xu, Tilla Hoja, Dr James Leibold). A part of this launch included a new interactive research project titled 'Documenting Xinjiang's Detention System' and a research report, *Cultural erasure: tracing the destruction of Islamic and Uyghur spaces in Xinjiang*, which made global news. These research products were covered in an exclusive long-form multimedia story in the *New York Times*, as well as top-tier coverage in the *Washington Post*, the *Financial Times*, *al-Jazeera*, *CNN*, the *BBC* and *The Guardian*, among many others.

The work of the centre's small Xinjiang team has resulted in new legislation being introduced around the world—including across Europe, the US and the UK—on topics such as forced labour, human trafficking, supply chains, emerging and critical technologies and other human rights issues. The research continues to feature heavily in parliamentary debates, government policy documents and corporate disclosures.

In addition, ICPC relaunched and updated two popular online projects that have attracted an enormous global readership. First, in May 2021, we updated our *China Defence University Tracker* website. The updated tracker and accompanying report continue to be a tool that enables universities, governments, the business community and scholars to conduct due diligence as they engage with entities from China. It has attracted a global audience, with enormous traffic coming from both the US and China, followed by Japan, Hong Kong, Australia, Canada, the UK, Germany, Singapore, France, Taiwan, the Netherlands, Russia and India. With this audience, the tracker aims to build understanding of the implications of China's expanding military–civil fusion in the global education sector.

In June 2021, we relaunched our multi-year *Mapping China's Technology Giants* project, which maps the overseas expansions of key Chinese technology companies. The project, first published in April 2019, was relaunched with new research reports, a new website and an enormous amount of new and updated content. This data-driven online project and the accompanying research products fill a research and policy gap by building understanding about the global trajectory and impact of China's largest companies working across the internet, telecommunications, artificial intelligence, surveillance, e-commerce, finance, biotechnology, big data, cloud computing, smart city and social media sectors.

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Chapter 3

Publications



ASPI's publications program offers practical and influential policy advice through publications that are:

- accessible and readable
- accurate and authoritative
- well presented and cost-effective.

The key performance indicators for the program of published research are:

- publication of the program of major studies and annuals according to schedule and within budget
- each publication meeting the following criteria to a high degree:
 - independent and non-partisan
 - rigorous, accurate and well informed
 - innovative and original
 - well presented and accessible to wide and diverse audiences
 - integrated into wider national debates within government and in the public arena.
- responses to publications from our customer groups and stakeholders being monitored by staff and reported to the Research Committee:
 - government's evaluation of the products, in terms of their contribution to policy development, to be evaluated on the basis of responses and structured feedback
 - public responses, gauged by the extent to which the publications are used and discussed in further public comment.



In 2020–21, ASPI publications were produced in five major formats.

The flagship publications are in the Strategy series, which provides detailed analyses of major strategic policy questions of critical importance to Australia and our region and informed recommendations for consideration by government and the broader community.

The Special Report series is a vehicle for the dissemination of analyses and comment on a wide range of issues. Special reports are usually focused on specific issues that require more detailed or quantitative information for deeper analysis.

Strategic Insights are shorter papers providing background information or comment on specific issues and considering policy ramifications as those issues arise in the public debate.

The fourth style of publication is the Annual series. ASPI's fifth *Counterterrorism yearbook* was produced in 2020–21. This annual report looks at those areas around the world where terrorism and counterterrorism are in the sharpest focus.

The fifth style of publication is for our International Cyber Policy Centre. Through its publications, the centre aims to facilitate conversations between governments, the private sector and academia across the Asia–Pacific region to increase constructive dialogue on cyber issues and do its part to create a common understanding of problems and possible solutions in cyberspace.

ASPI also occasionally produces case studies, *The Strategist* selections and discussion papers. None was produced in 2020–21.

Table 4 shows the numbers of each publication type published in 2019–20 and 2020–21.

Table 4: ASPI publications, by format, 2019–20 and 2020–21

Publication type	2019–20	2020–21
Strategy	2	6
Strategic Insights	11	12
Special Report	19	10
Annals	1	4
Discussion paper	0	0
International Cyber Policy Centre	20	25
Case studies	2	0
<i>The Strategist</i> selections	1	0
Other	1	0
Total	57	57

A complete list of ASPI's 2020–21 publications is in Annex A.

Contributions to the national debate, by publication type

The following pages describe some selected ASPI publications and outline how they have contributed to the national debate.

Strategy

Leaping across the ocean: The port operators behind China's naval expansion

Charlie Lyons Jones and Raphael Veit

17 February 2021



The People's Republic of China (PRC) has become increasingly willing to project military power overseas while coercing and co-opting countries into accepting the objectives of the Chinese Communist Party (CCP). Beijing's greater willingness to flex its muscles, both politically and militarily, is supported by its overseas investments in critical infrastructure, which provide the People's Liberation Army (PLA) with the logistical enablers needed to project military power beyond the 'first island chain' in the Western Pacific. 'Controlling the seas in the region, leaping across the ocean for force projection' (区域控海, 跨洋投送) is the term Chinese naval commentators use when referring to the PLA Navy's bid to project power across the world.

Australia should build its research and analytical capacity to better understand the nexus between the CCP and state-owned enterprises. That due diligence, building on open-source research conducted for this report, will better illuminate the PRC's global expansion, potential grey-zone operations and the companies and individuals involved.

Strategic Insights

North of 26 degrees south and the security of Australia: Views from *The Strategist* (volume 3)

John Coyne and Teagan Westendorf

18 May 2021



The Northern Australia Strategic Policy Centre's latest report, *North of 26° south and the security of Australia: Views from The Strategist* (volume 3), is an all-new series of articles by a range of authors exploring the continued importance of northern Australia to national security and defence strategy.

This volume's contributions were written over a year in which increased strategic uncertainty and an unprecedented global pandemic collectively generated an interest in revisiting old policy assumptions. Right from the start, it was clear that we need to think of the north as the middle of the region, rather than the edge of Australia, and reflect that critical role in Australia's political, military and economic strategies.

The economic, social and geopolitical effects of Covid-19 have presented opportunities for a radical rethinking of nation building in the north, and collaboration between the public and private sectors to support it. The rise of Chinese influence in the region and globally has changed Australia's role in the Indo-Pacific and the strategic significance of Australia's defence capabilities and alliances to the broader international community.

The pandemic response and geopolitical tensions have highlighted supply-chain resilience as a key area of capability uplift for Australia, making the north significant both as the key trade hub within the region and a source of natural resources exports.

The report builds on the previous volumes of *North of 26° south* by broadening the breadth and depth of its contributions to northern Australia strategic policy.

This report provides much-needed contemporary analysis and underscores the criticality of the north to Australia's national security and defence.

Special Report

Collaborative nation building: Port of Townsville case study

Gill Savage and John Coyne

28 May 2021



The theme for this report is nation building, not the kinds of one-off investment ‘announceables’ we are familiar with that connect cities with roads. Instead, this is the kind of nation building that’s big picture, courageous, and reminiscent of the past—the kinds of initiatives that build the infrastructure from which economic, social and national security opportunities grow.

The Port of Townsville has embarked on a forward-leaning journey that started a decade ago with a vision, planning and initial environmental approvals, and that is now being pursued through collaborative engagement of a type not common in the ports sector. While the sector does take a long-term view on management and expansion, it is still very unusual for individual ports to actively engage with trading partners in a strategic way and beyond the boundaries of specific projects.

This special report looks at what’s happening today in the Townsville region, using the Port of Townsville as an example of what is possible, and looks at what others at the regional, state and national levels can pursue beyond one-off investments to drive nation building that fosters economic, social and environmental prosperity.

A collaborative approach to nation building is not new, but we have not engaged in this way for several decades now and, as a nation, we are out of practice.

Nation building in Australia must move beyond investment in major highways between large cities and investment in inner urban infrastructure. It must be underpinned by a framework that drives economic, social and environmental prosperity and that is pursued collaboratively with persistence and courage. It must also move beyond a focus on short-term energetic infrastructure construction and economic ‘sugar hits’.

The Port of Townsville provides a case example of how that is being done today.

Submarines: Your questions answered

Peter Jennings and Marcus Hellyer

4 November 2020



Prime Minister John Howard famously coined the term ‘barbeque stopper’ to refer to a political controversy so hot that it was likely to make backyard diners stop mid-shrimp-sizzle to debate the big issue of the day. If ever the specialist world of defence procurement has produced a national barbeque stopper, it would be over the question of Australia’s future submarine.

Why are they so expensive? Why do we need 12 of them? Why build them here? Why not nuclear propulsion? Why a French design? Why not an American, German, Japanese or Swedish design? Aren’t submarines obsolete, to be replaced by drones? Won’t technology make the oceans transparent?

There are many questions and few, if any, easily accessible, plain-English explanations. This ASPI study attempts to answer the many questions that Australians pose when it comes to the design, acquisition, cost, operational service and strategic implications of submarines. Our writing team includes a vice admiral and former Chief of Navy and two rear admirals: one a distinguished submariner who has served with the Royal Navy and the Royal Australian Navy; the other, one of Australia’s leading naval historians.

Other contributors include people steeped in strategy and capability development and with deep industry experience of defence production.

Annuals

The cost of Defence: ASPI defence budget brief 2021–2022

Marcus Hellyer

26 May 2021



ASPI has been publishing *The cost of Defence*, Australia’s most detailed and authoritative analysis of the Defence Department budget, since the 2002–03 Budget. This annual publication has been a constant feature of ASPI’s contribution to greater public understanding of defence and strategic issues.

In 2020–21, however, ASPI departed from tradition and published three editions of *The cost of Defence*. Due to the Covid-19 pandemic, the government delayed the release of the federal Budget from May to October. In the meantime, it released its 2020 Defence Strategic Update (DSU) in early July. Due to the strategic policy significance of the DSU, ASPI published an edition of *The cost of Defence* devoted specifically to the DSU on 12 August 2020. Following the delayed release of the Budget in October, APSI released its analysis of the 2021–22 defence budget on 22 October 2020.

With the return to the customary budget schedule for the government's 2021–22 Budget, ASPI released *The cost of Defence* on 26 May 2021. This completed an unprecedented three editions within 12 calendar months. Fittingly, this was ASPI's 20th edition of *The cost of Defence*.

Counterterrorism yearbook 2021

Leanne Close and Daria Impiombato

31 March 2021



ASPI released its 5th edition of the *Counterterrorism yearbook*, edited by Leanne Close APM and Daria Impiombato. The 2021 yearbook provides a comprehensive picture of the current global terrorism landscape. The yearbook's 29 authors found Covid-19—a key theme in most chapters—to have had an impact on global terrorism. However, pervasive online social media platforms have played a more significant role, increasing terrorists' ability to radicalise and incite individuals to commit terrorist acts, as well as encouraging financial support to terrorist groups.

The yearbook begins with an overview of current trends and the terrorism landscape in 2020 identified in the 8th Global Terrorism Index produced by Australia's Institute for Economics and Peace.

As well as analysis of the impacts of Covid-19 on terrorist threats globally, several key themes emerge from the yearbook's chapters, consistent with the trends identified in the Global Terrorism Index. They include the impact of social media and technology on terrorist events and radicalisation, and a nexus between terrorism and organised crime. One concerning example highlights the impact of natural disasters on violent extremism with a study of 167 countries over 30 years from 1970, which found that an increase in deaths from natural disasters resulted in an increase in terrorism-related deaths and attacks in the following two years.

Strong examples of prevention and strategies to counter violent extremism are outlined in the yearbook, providing governments and CT practitioners with contemporary analysis of current and emerging challenges and offering key policy recommendations to combat radicalisation, violent extremism and terrorism in all its forms.

Feedback received from federal and state governments, embassies and think tanks indicates that the publication continues to be used as a reference tool in defence and foreign policy circles.

International Cyber Policy Centre

Mapping China's Technology Giants: Covid-19, supply chains and strategic competition

Mapping China's Technology Giants is a multi-year project by ASPI's International Cyber Policy Centre that maps the overseas expansion of key Chinese technology companies. The project, first published in April 2019, was relaunched in June 2021 with a new website, new research reports and an enormous amount of new and updated data and content. This project continues to be one of ICPC's most popular and impactful global products and generates a large number of briefing and advice requests from governments, industry and media.

This [data-driven online project](#) and the accompanying research products fill a research and policy gap by building understanding about the global trajectory and impact of China's largest companies working across the internet, telecommunications, artificial intelligence, surveillance, e-commerce, finance, biotechnology, big data, cloud computing, smart city and social media sectors.

The map on the website now includes more than 1,400 new entries, totalling more than 3,900 global entries. The entries are populated with up to 15 categories of data, totalling 38,000+ data points. Existing entries were updated to reflect new changes. In addition to two new policy-focused research reports, the relaunch introduced a new research product: 'Thematic snapshots' that include analyses of 'privacy policies', 'Covid-19 impact', 'activities in Xinjiang' and 'party-state activities' for each company.

The release of the following two new research reports accompanied the relaunch.

Mapping China's Tech Giants: Supply chains and the global data ecosystem

Dr Samantha Hoffman and Dr Nathan Attrill

8 June 2021



Most of the 27 companies tracked by our *Mapping China's Technology Giants* project are heavily involved in the collection and processing of vast quantities of personal and organisational data. Their global business operations depend on the flow of vast amounts of data, often governed by the data privacy laws of multiple jurisdictions. The Chinese party-state is ensuring that it can derive strategic value and benefit from these companies' global operations. We assess interactions between the PRC's political agenda-setting, efforts to shape international technical standards, technical capabilities, and use of data as a strategic resource. We argue that this 'data ecosystem' will have major implications for the effectiveness of data protection laws and notions of digital supply-chain security.

Mapping China's Tech Giants: Reining in China's technology giants

Fergus Ryan, Audrey Fritz and Daria Impiombato

8 June 2021



Since the launch of ASPI ICPC's *Mapping China's Technology Giants* project in April 2019, the Chinese technology companies we canvassed have gone through a tumultuous period. While most were buoyed by the global Covid-19 pandemic, which stimulated demand for technology services around the world, many were buffeted by an unprecedented onslaught of sanctions from abroad, before being engulfed in a regulatory storm at home. This report describes the effects of the Covid-19 pandemic, the growing China–US strategic and technological competition, and a changing Chinese domestic regulatory environment on the 27 Chinese tech giants that we cover on our map.

Contributions to the national debate, by selected topic

Hybrid warfare, including asymmetric advantages for Australia and intersection points for military and civilian capabilities

Publication

What if ...? Economic consequences for Australia of a US–China conflict over Taiwan

David Uren

23 June 2021



What if China were to attempt to seize Taiwan by force and the US and allies responded militarily? One consequence would be the disruption of China's trade with many countries, including Australia. While strategic analysts have been working over such scenarios for years, there has been little study of the likely economic consequences.

This study is focused on the short-term shock to Australia's economy. The objective is to contribute to an understanding of the nature of Australia's economic relationship with China and the likely paths of adjustment should that trade be severed. It also explores the options available to the Australian Government to ameliorate the worst of the effects of what would be a severe economic shock.

The conclusion of this report is that the disruption to the Australian economy would be significant. There would be widespread loss of employment, along with consumer and business goods shortages that would be likely to necessitate rationing.

Selected posts from *The Strategist*

- 'The commercial advantage in space's grey zone', Malcolm Davis, 16 June 2021
- 'Australia needs asymmetric options to counter coercive statecraft', Peter Hunter, 1 June 2021
- 'Australia's Pacific step-up needs to aim higher', Michael Shoebridge, 6 May 2021
- 'Air force chief says RAAF will be faster, smarter and have longer reach in its next 100 years', Brendan Nicholson, 27 March 2021
- 'Nuclear warfare or cyber warfare: which is the bigger threat?', John Powers, 24 February 2021

- 'Xi licenses Chinese coastguard to be "wolf warriors" at sea', Michael Shoebridge, 15 February 2021
- 'What's up with the Royal Australian Navy's weapons program?', Marcus Hellyer, 11 February 2021
- 'Twitter attack will only further harm China's collapsing soft power', Michael Shoebridge, 1 December 2020
- 'Morrison is closing the seams in our federation that China seeks to exploit', Michael Shoebridge, 28 August 2020

Critical and emerging technology, especially for Australia's opportunities in the global space industry

Publication

The impact of quantum technologies on secure communications

Dr Robert Clark AO, Professor Stephen Bartlett, Professor Michael Bremner, Professor Ping Koy Lam and Professor Timothy Ralph

20 April 2021



This report examines the impact of quantum technologies on secure communications. It provides an overview of the key technologies and the status of the field in Australia and internationally (including escalating recent developments in both the US and China), and captures counterpart US, UK and Canadian reports and recommendations to those nations' defence departments that have recently been released publicly.

The report is structured into six sections: an introduction that provides a standalone overview and sets out both the threat and the opportunity of quantum technologies for communications security, and more detailed sections that span quantum computing, quantum encryption, the quantum internet and post-quantum cryptography. The last section of the report makes five substantive recommendations in the Australian context that are implementable and in the national interest.

A key message on quantum technologies relates to urgency. Escalating international progress is opening a widening gap in relation to Australia's status in this field. It is critical that, in addition to its own initiatives, the Defence Department transitions from a largely watching brief on progress across the university sector and start-up companies to

a leadership role—to coordinate, resource and harness the full potential of a most capable Australian quantum technologies community to support Defence’s objectives.

Selected posts from *The Strategist*

- ‘SpaceX’s reusable rocket technology will have implications for Australia’, Malcolm Davis, 18 May 2021
- ‘Will human–machine teaming save Defence’s investment plan?’, Marcus Hellyer, 13 May 2021
- ‘ADF space command is the right next step for Australian space power’, Malcolm Davis, 5 May 2021
- ‘A sovereign space-launch capability is crucial for Australia’s prosperity and security’, Lloyd Damp, 31 March 2021
- ‘Urgent lessons for Australia in US defence budget’, Michael Shoebridge 10 March 2020
- ‘Australia should do more than just wait for the Attack-class submarines to arrive’, Michael Shoebridge, 9 March 2021
- ‘Loyal wingman’s first flight shows fourth industrial revolution in defence capability has arrived’, Marcus Hellyer, 3 March 2021
- ‘The artificial intelligence “backseater” in future air combat’, Malcolm Davis, 5 February 2021
- ‘Commitment to Artemis Accords affirms Australia’s rising star in space’, Malcolm Davis, 12 January 2021

Southeast Asia and regional cooperation

Publication

After Covid-19: Australia, the region and multilateralism (volume 2)

Michael Shoebridge and Lisa Sharland

16 September 2020



The global Covid-19 crisis continues to dominate the international strategic environment, fuelling uncertainty about the future. The only thing that is certain is that this pandemic will be with us for some time yet, meaning that Australia, like other nations, needs to be prepared to manage its response to the pandemic while simultaneously focusing on the future.

This volume of *After Covid-19* builds on volume 1 and identifies some of the future challenges and opportunities as they relate to Australia's role in the region and the multilateral system.

Selected posts from *The Strategist*

- 'Indo-Pacific views from Tokyo to Tonga', Graeme Dobell, 29 March 2021
- 'Quad shows promise but heavy lifting needed to meet China and Covid-19 challenges', Peter Jennings, 17 March 2021
- 'RAAF response to 2011 earthquake and tsunami led to closer Australia–Japan ties', Tony McCormack, 10 March 2021
- 'Can 2021 still be Australia's year of Southeast Asia?', Melissa Conley Tyler, 19 February 2021

The Pacific island countries and regional resilience

Publication

Mapping Pacific contributions to UN peacekeeping: Past experience and future opportunities

Lisa Sharland and Genevieve Feely

17 December 2020



This report draws largely on interviews with government officials in case-study countries in the region and desktop research on UN documents, country statements and academic research. We examine why countries in the Pacific have contributed to UN peacekeeping missions and whether they have an interest in continuing to do so.

First, we provide a brief overview of UN peacekeeping developments and the Pacific's approaches to peacekeeping, examining the different rationales for countries contributing to the effort. Second, we map the contribution of Pacific countries to UN peacekeeping through a series of in-depth case studies and identify future ambitions. Third, we explore some of the different barriers and challenges to the ongoing participation of countries in UN peacekeeping, at both the country and the individual levels. Finally, we offer a series of recommendations for countries in the Pacific, and partners such as Australia, to strengthen engagement in UN peacekeeping. This report and its recommendations are directed at government officials in the Pacific, as well as the Australian Government. The report will also be of interest to partners in the region, UN officials, scholars and researchers.

Selected posts from *The Strategist*

- 'Ardern–Morrison meeting about the Pacific, not China policy shenanigans', Michael Shoebridge, 29 May 2021
- 'Australian and US military health professionals can help address Pacific island needs', David Brewster, Jennifer DP Moroney, Beth Grill, 5 May 2021
- 'The Gulliver dilemma: Australia and South Pacific security', Graeme Dobell, 12 April 2021
- 'Misinformation threatens control of Covid-19 outbreak in Papua New Guinea', Sue Ahearn, 29 March 2021
- 'Australia must go big and bold to strengthen its role in the South Pacific', Jeffrey Wall, 22 September 2020

Deterrence: regional perceptions of Australia's deterrence capabilities, Australia's influence on the cost calculus of potential adversaries, and American and Chinese nuclear doctrines

Publication

To deter the PRC ...

Kyle Marcrum and Brendan Mulvaney

24 June 2021



This Strategic Insights report is the first in a series of essays, workshops and events seeking to better understand the nature of deterrence, particularly from the viewpoint of the CCP and its PLA.

The series is a joint project between ASPI and the US Air Force's China Aerospace Studies Institute (CASI).

Over the coming months, ASPI and CASI, along with our research associates, will examine the concept of deterrence, how both democratic countries and the PRC approach deterrence, what liberal democracies are doing to deter China and what China is doing to deter them, and assess the impacts of those efforts.

The series will culminate in an in-person conference that will put forward policy options for Australia, the US and our allies and partners. These publications will draw heavily from original PRC and PLA documents, as well as interviews and personal experiences, to help understand the framework that the PRC uses when it thinks about what we call 'deterrence'.

Selected posts from *The Strategist*

- 'USAF Pacific chief says fifth-generation RAAF a leader in the Indo-Pacific', Brendan Nicholson, 31 March 2021
- 'Does the Royal Australian Navy need Tomahawk missiles?', Marcus Hellyer, 16 February 2021
- 'Cybercrime, deterrence and evading attack', Nicholas Coppel, Lennon Yao-Chung Chang, 2 September 2020
- 'Is Morrison's strategic update the defence of Australia doctrine reborn?', Paul Dibb, 9 July 2020
- 'Australia's new defence paradigm', Geoffrey Barker, 7 July 2020
- 'Defence update signals Australia's waning faith in US extended deterrence', Rod Lyon, 6 July 2020

Enhancing combat capability and future asymmetric advantages for Australia other than technology

Publication

Cracking the missile matrix: The case for Australian guided weapons production

Dr Marcus Hellyer

22 April 2021



This report examines two fundamental questions. First, would the manufacture of guided weapons in Australia enhance ADF capability and provide greater self-reliance? Second, is it viable to manufacture guided weapons in Australia? The answer to both questions is 'yes'. The report also presents some key considerations about how the industry should be established.

No single measure is a panacea for supply-chain risks, but domestic guided weapons production, combined with greater stockpiling and cooperative development and production arrangements, would greatly reduce those risks.

Australia has the industrial capability to produce guided weapons here. In fact, we have a long and successful living history of doing that. We can also draw upon 'missile-adjacent' sectors such as space and autonomous systems and the power of the fourth industrial revolution to accelerate the design and manufacture of weapons. We can also leverage our alliance with the US to establish production lines for US weapons here, to the benefit of both partners.

Selected posts from *The Strategist*

- 'China's long-range missiles highlight RAAF's strike shortcomings', Malcolm Davis, 4 June 2021
- 'The compass of Australia's Asia strategy', Graeme Dobell, 9 March 2021
- 'Governments must engage with Australia's future leaders to meet the challenges ahead', Julia Butler, 5 March 2021
- 'Australia–Indonesia relations: keeping it real', David Engel, 23 February 2021
- 'An Australian public service reserve?', Marcus Hellyer, 11 January 2021
- 'Australia's air force should already be planning to replace the F-35', Malcolm Davis, 30 December 2020
- 'What Australia's intelligence community wants for Christmas: a secure private cloud', Michael Shoebridge, 18 December 2020
- 'Rethinking national and global supply chains', Richard N Haass, 15 December 2020
- 'External workers behind only army as Defence's second biggest branch', Marcus Hellyer, 10 December 2020
- 'Defence risks explosion in external workforce costs', Marcus Hellyer, 5 December 2020

Analysis of the Defence Strategic Update and Force Structure Plan: how to measure strategy and know when and how to adjust, and the strategic drivers shaping Australia's strategic environment

Publication

Deterrence through denial: A strategy for an era of reduced warning time

Paul Dibb and Richard Brabin-Smith

22 May 2021



Australia now needs to implement serious changes to how warning time is considered in defence planning. The need to plan for reduced warning time has implications for the Australian intelligence community, defence strategic policy, force structure priorities, readiness and sustainability. Important changes will also be needed with respect to personnel, stockpiles of missiles and munitions and fuel supplies. We can no longer assume that Australia will have time to gradually adjust military capability and preparedness in response to emerging threats. In other words, there must be a new approach in Defence to managing warning, capability and preparedness, and detailed planning for rapid expansion and sustainment.

This report addresses those issues, recognising that they are a revolutionary break with the past era of much more comfortable assumptions about threats to Australia. Considering the complexity of the issues involved, we have identified further areas for research, including at the classified level.

Selected posts from *The Strategist*

- 'Defence budget climbs to \$44.6 billion', Marcus Hellyer, 12 May 2021
- 'Defence's acquisition plan risks leaving ADF with stranded assets', Marcus Hellyer, 6 May 2021
- 'Government must rethink funding model to support technology in Australia's public sector', Lesley Seebeck, 30 March 2021
- 'A concert of powers for a global era', Richard N Haass, Charles A Kupchan, 26 March 2021
- 'Beware the bear in the Pacific', Steve Raaymakers, 19 March 2021
- 'Defence risks explosion in external workforce costs', Marcus Hellyer, 15 December 2020
- 'External workers behind only army as Defence's second biggest branch', Marcus Hellyer, 10 December 2020

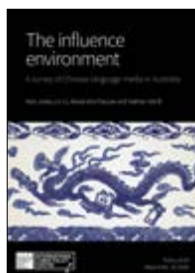
All aspects of cybersecurity; government collaboration with private companies and research organisations; and the weaponisation of data and information

Publication

The influence environment: A survey of Chinese-language media in Australia

Alex Joske, Lin Li, Alexandra Pascoe and Nathan Attrill

17 December 2020



In the past two decades, Australia's Chinese-language media landscape has undergone fundamental changes that have come at a cost to quality, freedom of speech, privacy and community representation. The diversity of Australia's Chinese communities, which often trace their roots to Hong Kong, Southeast Asia and Taiwan as well as the PRC, isn't well reflected in the media sector.

Persistent efforts by the CCP to engage with and influence Chinese-language media in Australia far outmatch the Australian Government's work in the same space. A handful of outlets offer

high-quality coverage of a range of issues, but CCP influence affects all media. It targets individual outlets while also manipulating market incentives through advertising, coercion and WeChat. Four of the 24 Australian media companies studied in this report show evidence of CCP ownership or financial support.

Selected posts from *The Strategist*

- 'Defending democracies from disinformation and cyber-enabled foreign interference', Danielle Cave, Jake Wallis, 22 April 2021
- 'Australia must do more to prepare for a SolarWinds-style supply-chain attack', Tom Uren, 22 December 2020
- 'Cybersecurity must be a key part of Australian government procurement decisions', Rajiv Shah, 18 August 2020
- 'Small businesses on the front line as Australia's cybersecurity strategy released', Ian Bloomfield, Alison Howe, Max Heinrich, 6 August 2020
- 'National cyber resilience strategy needed to protect Australia's small businesses', Max Heinrich, Alison Howe, 10 July 2020



Chapter 4

Events



ASPI's events program embraces a range of different audiences and tailors events for each type. By-invitation events, which include roundtables and strategic dialogues, involve mainly members of the national security community, address specific issues related to policy development and are normally conducted under the Chatham House rule.

Public events, such as ASPI report launches, panel discussions and public addresses, are designed to target a wider audience, to engage with leading Australian and international strategic thinkers, to exchange different perspectives on strategic and security matters and to inform public policy debates in Australia.

The impact of Covid-19 on the events program continues to be significant. We continue to operate a hybrid event model and formulate contingency plans to shift events to online delivery when needed.

ASPI continues to adapt its events and communications delivery model to ensure that the goal of promoting discussion in the defence and strategic space is still achieved while operating in the Covid-19 environment. The events team has introduced a series of webinars to allow space for discussions and for engagement with audiences to continue. This format has allowed those interested in participating in or attending ASPI events to not be constrained by location. The webinars have continued to grow in impact and reach and will remain a useful capability until the end of the pandemic and beyond.

Table 5 summarises the major events conducted by ASPI in 2019–20 and 2020–21. More detailed descriptions of the events held during 2020–21 are given in this section, while a detailed listing of the 2020–21 events program is in Annex D

Table 5: ASPI events, 2019–20 and 2020–21

Events	2019–20	2020–21
Conferences	0	2
Masterclasses	0	2
Evening presentations	0	0
International strategic dialogues	6	9
Roundtable discussions and workshops	50	16
Public events	22	10
Special meetings	14	12
Webinars	11	25
Total	103	76

ASPI podcast

The events and communications team continues to increase its communications outputs, and the ASPI podcast, *Policy, Guns and Money*, continues to develop as a key output.

The podcast has a growing listenership in Australia and abroad. In 2020–21, it included interviews with well-known guests from government, academia, civil society and the private sector. The events and communications team continues to develop the podcast as an important format for discussions of current and future strategic issues, and as an important part of ASPI’s brand.

This year, the podcast included special episodes for Africa Day, International Women’s Day and UNGA 75 and on ASPI’s Xinjiang research.

Table 6 shows the number of podcasts in 2020–21.

Table 6: ASPI podcasts, 2020–21

Communications	Numbers
Podcast regular episodes	41 episodes
Average listenership per regular episode	3,288 average listeners per episode on SoundCloud
Podcast special episodes	4 special episodes

ASPI’s International Conference

From 22 July to 14 August 2020, ASPI hosted an online conference series titled ‘Strategic Vision 2020: The ASPI Conference Series’. ASPI hosted 15 webinars with leading international and Australian experts addressing some of the key challenges faced by Australia and the world, including pandemics, geopolitical shifts and climate change. This online conference was hosted in lieu of ASPI’s annual in-person conference due to the impacts of the Covid-19 pandemic.

On 10 and 11 June 2021, ASPI hosted an international conference titled ‘Shape, Deter, Respond: Implementing the 2020 Defence Strategic Update’. The conference brought together distinguished international and Australian speakers for two days of debate on responding to Australia’s changing strategic outlook. Due to the impact of Covid-19, some panellists had to join virtually rather than in person.

The conference was attended by senior policymakers, high-level military officials and leading industry representatives.

Topics included:

- The changing strategic environment
- Defence policy settings: shape, deter, respond
- Military capability: choices and dilemmas
- The Quad and Indo-Pacific security
- Global perspectives on Indo-Pacific regional security
- Industry and innovation: investment for the future
- The United States in the Indo-Pacific and in the grey zone
- Meeting new and old challenges
- Reforming culture, structures and processes.

Women in Defence and Security Network

The Women in Defence and Security Network (WDSN) is designed to support the career development of women in the defence and national security communities in Australia.

It provides networking opportunities and facilitates discussion on issues related to women's participation and gender perspectives in the context of defence, national security and foreign policy.

Interest in the WDSN continued to grow in 2020–21, and the network was able to host a number of events online and in person. WDSN events continue to be adapted to be delivered from a distance to ensure that the network remains strong.

The WDSN also continues to publish profiles of women working within the sector, all at different stages in their careers, to showcase their talent and different career options for those in the network. The profiles are now being delivered in video interview format as well as written interviews. The network released six profiles in 2020–21 and plans to release profiles at an increased frequency in 2021–22.

Table 7 shows the WDSN events held in 2020–21.

Table 7: WDSN events, 2020–21

Date	Event
1 July	Roundtable: ASPI – UNSW Women in Future Operations Working Group
7 July	Public webinar: WPS in 2020—Progressing implementation at a time of global uncertainty
16 July	Public webinar: WDSN Careers Panel: Professional pathways in the post-Covid-19 world
26 August	Public webinar: WDSN Careers Panel: Where to from here?
18 June	Roundtable: ASPI – UNSW Women in Future Operations Working Group

International strategic dialogues

ASPI supports Australian diplomacy by conducting Track 1.5 and Track 2.0 dialogues with international institutions and government partners on a regular basis. In 2020–21, we conducted nine such dialogues. Unfortunately, many were delivered online instead of in person due to the impacts of Covid-19. More details are available in Annex D.

Roundtable discussions and forums

ASPI hosted many roundtable discussions at our Canberra premises during 2020–21, engaging a wide range of international and Australian experts in discussions about strategic and national security affairs. Given the Australian border closure and travel restrictions within Australia, some roundtables were postponed, cancelled or moved online. Details of the roundtables held in 2020–21 are in Annex D.

ASPI public events and workshops

ASPI hosted many public events, including keynote addresses and panel discussions, throughout the year. Our public events are well attended, and often attract media attention.

All public events were open to the public to attend at ASPI and live streamed to ensure accessibility for guests in Canberra as well as across Australia and the region. Details of ASPI’s public events in 2020–21 are in Annex D.

Webinars

The continuing impacts of Covid-19, including border closures and public health directions, meant that ASPI was sometimes unable to host in-person events. As a result, the events and communications team continued to host panel discussions, publication launches and in-conversation events online in webinar format. Twenty-three webinars were delivered in 2020–21.

Delivering events in this format has meant that we have been able to engage with panellists and participants from across the globe and secure guests who, under normal circumstances, might not have been available to join us in Canberra. Participants have been able to watch live or on demand after the webinar has aired.

Webinars have become a key form of engagement with ASPI's audience and have created an opportunity to extend our reach within Australia and internationally. As the world eventually returns to normal after the pandemic, this will be a useful capability to continue to use, as it increases our reach well beyond Canberra. More details of webinars in 2020–21 are in Annex D.

Other events

From year to year, ASPI hosts a range of other events on topical issues, including panel discussions and workshops. Further details are in Annex D.

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Chapter 5

Corporate Governance



The ASPI Council is the governing body of ASPI, which is a Commonwealth company. The council reports annually to the Australian Securities and Investments Commission. As well as meeting legislative requirements, a governance framework guides the development of policies, plans and strategies that are approved by the council, covering areas such as risk, fraud and business continuity. A number of internal policies for staff are reviewed as required or scheduled.

The council comprises up to 11 directors with experience, expertise and excellence in a range of professions, including business, academia, government and the military. Provision is also made to have council members who are nominees of the Prime Minister and the Leader of the Opposition, emphasising that ASPI is politically non-partisan.

Council meeting attendance

During 2020–21, Air Vice Marshall (Ret'd) Margaret Staib completed her term on the council. Mr James Brown was appointed to the council.

Table 8 lists meeting attendance by ASPI Council members throughout the year. Mr Peter Jennings is the only executive member of the council. All other council members are non-executive directors.

Table 8: Attendance at ASPI Council meetings, 2020–21

	28 August 2020	20 October 2020	27 November 2020	5 March 2021	28 May 2021
Lieutenant General (Ret'd) Kenneth Gillespie AC DSC CSM (Chair)	✓	✓	✓	✓	✓
Mr Peter Jennings PSM	✓	✓	✓	✓	✓
Ms Jane Halton AO PSM	✓	✓	✓	✓	✓
The Hon Stephen Conroy	✓	✓	✓	✓	✓
The Hon Stephen Brady AO CVO	✓	✓	✓	✓	✓
Dr Denis Dragovic	✓	✓	✓	✓	✓
Dr Brendan Nelson AO	✓	✓	✓	✓	✓
Ms Gai Brodtmann	✓	✓	✓	✓	✓
Mr James Brown	×	×	×	✓	✓
Dr Lavina Lee	✓	✓	✓	✓	✓
Mr Robert Hill AC	✓	✓	✓	✓	✓
Ms Jennifer Ma	✓	✓	✓	✓	×
Air Vice Marshall (Ret'd) Margaret Staib	✓	✓	✓	×	×

Current Council Members

Chairman

Lieutenant General (Ret'd) Kenneth J Gillespie AC DSC CSM

Grad Dip Strat Studies



Kenneth Gillespie is an experienced and highly decorated national leader. Formerly Chief of the Australian Army, he has had a diverse range of practical experience, including military high command, diplomacy and private and public sector leadership. He has an enviable and successful track record for strategic review, structural reform, team building and leadership in diverse and challenging work environments and workforces.

Lt Gen Gillespie currently sits on several boards, both public and not-for-profit, and provides consulting services to government departments, corporations and small companies. He possesses a strong network of contacts in government, defence, security and commercial fields and has considerable experience communicating with and building consensus among diverse stakeholder groups.

Lt Gen Gillespie was appointed to the ASPI Council in January 2015 and was appointed as ASPI Council Chairman in December 2016.

Members

Stephen Brady AO CVO

BA (Hons)



Stephen Brady completed his 36-year career with the Australian Government as Ambassador to France, coinciding with a series of terrorist attacks and the government's decision to buy 12 French-designed submarines. He was also accredited to Morocco, Algeria and Monaco.

Before then, he was Official Secretary to two Governors-General of Australia. He has also served as Ambassador to the Netherlands (2004–07), where he was responsible for handling Australia's political cooperation with the Netherlands in Afghanistan. He was also Permanent Representative to the Organisation for the Prohibition of

Chemical Weapons, the International Court of Justice, the International Criminal Court and the Permanent Court of Arbitration.

Mr Brady has been Australia's Ambassador to Sweden, where he was accredited to Denmark, Norway, Finland, Iceland, Latvia, Lithuania and Estonia. On two occasions, he served as a senior adviser to Prime Minister John Howard.

In 2013, the Queen made him a Commander of the Royal Victorian Order, and in 2015 he was appointed as an Officer of the Order of Australia for 'distinguished service to successive governments in the area of international affairs'. At the conclusion of his posting in Paris, the French Government awarded him a Commander of the Legion d'Honneur. He is currently the only Australian civilian to hold that honour.

Mr Brady now serves as Adjunct Professor of International Relations at Bond University and is a director on the boards of the European Australian Business Council, The Ethics Centre and Bangarra, and is Chairman of the National Gallery of Australia Foundation and a member of the NGA Council.

Mr Brady was appointed to the ASPI Council in February 2019.

Ms Gai Brodtmann



Gai Brodtmann is a member of the Australian Strategic Policy Institute Council, the National Security College Futures Council, Old Parliament House, Defence Housing Australia, Endometriosis Australia and Fearless Women boards and the Sapient Cyber advisory board.

She is also an occasional presenter and panellist at ASPI, the National Security College and Australian War College and a contributor to *The Strategist*.

Ms Brodtmann served as the Member for Canberra from 2010–19. She was Shadow Assistant Minister for Cyber Security and Defence from 2016–19 and Shadow Parliamentary Secretary for Defence from 2013–16, when she authored Labor's cyber security and PFAS contamination policies.

Ms Brodtmann is a former member and deputy chair of the joint committees on Public Accounts and Audit and National Capital and External Territories and a former member of the Joint Standing Committee on Foreign Affairs, Defence and Trade and the Defence sub-committee.

Before her political career, Ms Brodtmann ran her own small business for ten years and was a federal public servant, primarily with the Department of Foreign Affairs and Trade and the Attorney-General's Department for a decade.

From 2000–09, she consulted in defence across a broad range of areas, including on capability acquisition and sustainment, financial and personnel management, youth development, science and technology, cultural change and diversity policy.

During her time in Foreign Affairs and Trade, Ms Brodtmann was posted to New Delhi and served on the Middle East desk, where she worked on the normalisation of the relationship with Iran and bilateral policy on Iraq, Jordan, Syria and Lebanon.

Ms Brodtmann's national security policy interests include cyber security, Women, Peace and Security, critical infrastructure, capability sustainment, sovereign capacity and community engagement.

She is a strong advocate of women in national security and female empowerment.

Mr James Brown



James Brown is the Chief Executive Officer of the Space Industry Association of Australia, which is Australia's peak body for the space economy.

A national security and public policy expert, he has previously held research appointments at the Lowy Institute for International Policy, the United States Studies Centre, and the University of Sydney.

He is currently a non-resident fellow at the United States Studies Centre, chairman of the charity Veteran Sports Australia, and a strategic adviser to the University of Technology Sydney.

Between 2017 and 2019, he led the rebuilding and modernisation of Australia's largest veteran's organisation, the RSL, as its youngest ever elected president.

Mr Brown served on the board of the Sydney Invictus Games and led the campaign to establish the National Commission for Defence and Veteran Suicide Prevention. He is a former Army officer with service in Iraq, Afghanistan and Solomon Islands.

He is a regular media contributor on foreign policy and defence issues and has authored two books on Australian defence policy. He is based in Sydney.

Mr Brown was appointed to the ASPI Council in January 2021.

The Hon Stephen Conroy

BEC (ANU)



Stephen Conroy served as a senator for Victoria in the Australian Parliament for more than 20 years, including as the Leader of the Government in the Senate and as Deputy Leader of the Opposition in the Senate.

During his time in parliament, Mr Conroy worked in multiple portfolio areas, most notably as the Minister for Broadband, Communications and the Digital Economy, when he was responsible for the design and implementation of the National Broadband Network between 2007 and 2013.

Before entering parliament, he worked at the Transport Workers Union. In 1993, he was elected to Footscray City Council.

In November 2016, Mr Conroy was appointed as the executive director of Responsible Wagering Australia.

Mr Conroy was appointed to the ASPI Council in March 2017.

Dr Denis Dragovic

BEng (Hons), MSFS, PhD



Denis Dragovic is a former humanitarian aid worker with experience in war zones around the world, a scholar of religion and society and a public commentator. He currently sits on the Administrative Appeals Tribunal.

A graduate from the University of Adelaide with a degree in civil engineering, he relocated to Singapore to work on major construction projects before moving to Washington DC to complete a Master of Science in Foreign Service degree at Georgetown University.

Following the 1999 civil war in East Timor, Dr Dragovic was hired as a shelter engineer for the International Rescue Committee, which is a leading US humanitarian organisation. Over the subsequent 12 years, he worked in war zones and disaster-stricken areas in Southeast Asia,

the Middle East and Africa, running humanitarian and development programs, including in Iraq, where he led one of the world's largest community development programs. During that period, he led successful efforts to release the first aid worker kidnapped by militants in Iraq, provided consulting services to various UN agencies and helped to establish an Iraqi non-government organisation.

Drawing on his experiences working in conflict and post-conflict environments, Dr Dragovic completed a PhD from the University of St Andrews' School of Divinity, which led to the book *Religion and post-conflict statebuilding: Roman Catholic and Sunni Islamic perspectives*. His second book, *No dancing, no dancing: inside the global humanitarian crisis*, is a piece of narrative non-fiction based on his return journey to Iraq, South Sudan and East Timor to see what had happened to the people and aid projects.

He is currently a senior member on the Administrative Appeals Tribunal, hearing asylum claims; a regular commentator in the media on the intersection of religion and society; and an honorary senior fellow at the University of Melbourne.

Dr Dragovic was appointed to the ASPI Council in February 2020.

Jane Halton AO PSM

BA (Hons) Psychology, FAIM, FIPAA, Hon FAHMS, Hon FACHSE, Hon Dr Letters (UNSW), GAICD



Jane Halton has had a 33-year public sector career, having served as Secretary of the Department of Finance (2014–2016), Secretary of the Department of Health (and Ageing) (2002–2014) and Executive Co-ordinator (Deputy Secretary) of the Department of the Prime Minister and Cabinet.

In her most recent role as Secretary of the Department of Finance, she was responsible for a range of significant services delivered by the department, including the delivery of the Australian Government Budget; oversight of the financial framework of Australian Government agencies; shareholder aspects of government business enterprises; the ongoing management of the Australian Government's non-defence domestic property portfolio and key asset sales; and key projects, including the Air Warfare Destroyer Project.

Ms Halton is currently the chair of Board Vault Systems, the Coalition for Epidemic Innovations and COTA Australia.

She is a board member of ANZ Bank; Crown Resorts; Clayton Utz and Ngamuru Advisory; the Institute of Health Metrics and Evaluation, University of Washington; the Australian Genomics Advisory Board; and the Corporate Council of the European Australian Business Council. She is also an adjunct professor at the University of Sydney and the University of Canberra.

She has had significant experience in global health governance, playing key roles in global health security, and has held leadership roles with the Organisation for Economic Co-operation and Development and the World Health Organization.

Ms Halton has been awarded the Public Service Medal (2002), the Centenary Medal (2003) and the Order of Australia (2015).

Ms Halton was appointed to the ASPI Council in December 2016.

Mr Peter Jennings PSM

BA (Hons), MA, MSc



Peter Jennings is the executive director of ASPI—a position he has held since May 2012.

He has worked at senior levels in the Australian Public Service on defence and national security. Career highlights include being Deputy Secretary for Strategy in the Defence Department (2009–12), Chief of Staff to the Minister for Defence (1996–98) and Senior Adviser for Strategic Policy to the Prime Minister (2002–03).

Since 2012, Mr Jennings has expanded ASPI's role from its original high-quality research on defence to include research on cybersecurity; policing and international law enforcement; border security; national resilience; and counterterrorism studies. Now with around 60 staff and close working relations with government, parliament, industry and international partners, ASPI is Australia's leading think tank on national security.

Mr Jennings's research interests include Australian and regional defence policies, military operations, crisis management, government decision-making and future defence capabilities.

He led the External Expert Panel appointed by government in early 2014 to advise ministers and the Defence Department on the *2016 Defence White Paper*. He was a member of the Australia–Germany Advisory

Group appointed by the Prime Minister and German Chancellor in 2015 to develop closer bilateral relations. He has also been a member of the Advisory Group on Australia–Africa Relations, advising DFAT.

Mr Jennings has previously held a number Senior Executive Service positions in Defence, including as First Assistant Secretary International Policy Division and First Assistant Secretary Coordination and Public Affairs.

He was Director of Programs at ASPI between late 2003 and January 2006 and has taught postgraduate studies on terrorism at the Australian Defence Force Academy.

In the Defence Department, Mr Jennings has been the Deputy Director of the then titled Defence Imagery and Geospatial Organisation (2002) and head of the Strategic Policy Branch (1998–1999). In late 1999, he was co-director of the East Timor Policy Unit, responsible for developing Australia’s policy approaches to the international peacekeeping operation in East Timor.

Mr Jennings studied at the London Business School in 2000 and 2001 as a Sloan Fellow and was awarded a Masters of Science (Management) with Distinction. He has a Master of Arts degree in International Relations from the Australian National University (1987) and a BA (Honours) in History from the University of Tasmania (1980–1984). He has been a Fulbright Fellow at the Massachusetts Institute of Technology (1985). He taught politics and international relations at the University of New South Wales / Australian Defence Force Academy (1987–1990).

He was awarded the Public Service Medal in the Australia Day 2013 honours list for outstanding public service through the development of Australia’s strategic and defence policy, particularly in the areas of ADF operations in East Timor, Iraq and Afghanistan. In February 2016, he was awarded the French decoration of Knight in the National Order of Legion d’Honneur.

Dr Lavina Lee

BComm/LLB, MA, PhD



Lavina Lee is a senior lecturer in the Department of Politics and International Relations at Macquarie University, Sydney. She has commerce and law degrees from the University of NSW, an MA in International Peace and Security from King's College, University of London, and a PhD in International Relations from Sydney University. Prior to joining Macquarie University, she was a political risk consultant with Control Risks Group.

Dr Lee has been an academic at Macquarie University since 2007, teaching both undergraduate and postgraduate students in the field of international relations. At Macquarie, she has served as the convenor of the Master of International Relations program, and is currently director of higher degree research for the department as well as an appointed member of the University Academic Standards and Quality Committee.

Dr Lee is the author of the book *US hegemony and international legitimacy: norms, power and followership in the wars on Iraq* (Routledge, 2010) and has published numerous articles, book chapters, research reports and commentary on Indian foreign and security policy, nuclear proliferation, US foreign policy and security relations in the Indo-Pacific. She also periodically publishes opinion pieces in *The Australian*, the *Australian Financial Review*, the *Hindustan Times* and the *New Straits Times*, as well as with specialist policy outlets such as the Lowy Institute's *The Interpreter* and ASPI's *The Strategist*.

She has led projects for the Australian Government and think tanks on opportunities and weaknesses of the Quadrilateral Security Dialogue, Chinese influence in Southeast Asia, the role of democracy promotion in the free and open Indo-Pacific strategy and the role of India in the Indo-Pacific. Her work integrates academic and policy approaches and she speaks widely to expert and lay audiences on international and security issues.

Before joining the ASPI Council, Dr Lee was a director of the Institute for Regional Security.

Dr Lee was appointed to the ASPI Council in June 2020.

The Hon Dr Brendan Nelson AO



Brendan Nelson is president of Boeing Australia, New Zealand and South Pacific. He is the senior company leader in the Oceania region and is the chairman of the board for Boeing Australia Holdings. In that role, he coordinates all Boeing activities, leads government relations and directs the implementation of Boeing's strategy to expand its local presence and grow the business. Appointed in February 2020, he is based in Sydney.

Dr Nelson is also Chairman of the American Chamber of Commerce in Australia (AmCham), a board director of the United States Studies Centre at the University of Sydney and a member of the Space Industry Leaders Forum and the Business Council of Australia.

Before joining Boeing, he served as director of the Australian War Memorial for seven years. Prior to that, he was the Australian Ambassador to Belgium, Luxembourg, the European Union and NATO (2010–12). Apart from overseeing a major transformation in Australia's relationships with the European Union and NATO, Dr Nelson forged deep links with the communities of Flanders, where almost 14,000 Australians lost their lives during World War I.

Born in Coburg, Victoria, in 1958, Dr Nelson studied at Flinders University, South Australia, where he graduated with a Bachelor of Medicine and Surgery degree. He worked as a medical practitioner in Hobart from 1985 to 1995. In 1993, he was elected unopposed as national president of the Australian Medical Association (AMA), becoming the youngest person ever to hold that position. He had previously served as national vice president and Tasmanian Branch president of the AMA. In 1995, he retired as president of the AMA following his preselection as the Liberal candidate for the Sydney seat of Bradfield.

Dr Nelson was elected to the federal parliament in March 1996. After the 2001 election, he was promoted from Parliamentary Secretary to the Minister for Defence to cabinet in the senior portfolio of Minister for Education, Science and Training. There, he drove major reforms to universities and a focus on school standards and reporting. In 2006, he was appointed Minister for Defence when troops were deployed to Iraq, Afghanistan, East Timor and Solomon Islands. In November 2007, Dr Nelson was elected leader of the Liberal Party of Australia, serving as Leader of the Opposition until September 2008.

The following year, he retired from federal politics before taking up his ambassadorial appointment.

In 1995, Dr Nelson was awarded the AMA's highest honour: the Gold Medal for Distinguished Service to Medicine and Humanity. In recognition of his commitment to public health, he was awarded an honorary fellowship of the Royal Australasian College of Physicians. He is the recipient of three honorary doctorates: from the Flinders University of South Australia in 2011, the Australian National University in 2017 and the University of South Australia in 2019. He is a fellow of the Royal Society of NSW (2017), a Rotary Paul Harris Fellow and a Sydney University John Lowenthal Medallist.

Dr Nelson was appointed as an Officer of the Order of Australia in January 2016 for his services to the community, the parliament of Australia, diplomacy and cultural leadership.

In 2018, the Returned and Services League (RSL) conferred honorary life membership upon Dr Nelson for his services to and support of veterans and ex-service organisations. He was also awarded honorary citizenship of the Belgian city of Ypres in recognition of his support for the city, its commemorations and Last Post Association.

Dr Nelson was appointed to the ASPI Council in June 2020.

Air Vice Marshal (Ret'd) Margaret Staib AM CSC GAICD

BBus, MBusLog, MA Strat Studies



Margaret Staib is a non-executive director of the Commonwealth Superannuation Corporation and the Australian Royal Aeronautical Society and a member of the Industry Advisory Board for the Centre for Supply Chain and Logistics at Deakin University. She was recently appointed as Chair of the Strategic Defence Advisory Board to the Chief Minister of the Northern Territory and the Northern Territory Defence and National Security Advocate.

Ms Staib is a certified practising logistician, a fellow of the Chartered Institute of Logistics and Transport, a fellow of the Royal Aeronautical Society and a member of the RAAF Active Reserve.

She commenced her professional career as a military logistician with the RAAF after completing a business degree at the University of South Queensland. Her military service included an exchange with the US Air Force in the Pentagon and a period as commandant of the Australian Defence Force Academy. In 2009, she was promoted to the rank of Air Vice Marshal and assumed the role of Commander Joint Logistics Australian Defence Force.

From the Air Force, Ms Staib continued her executive career as the CEO and Managing Director of Airservices Australia—the air navigation and air traffic management organisation for Australia. There, she led significant transformation in air safety, air navigation technology and cultural change. She has subsequently pursued a career as a non-executive director.

Her expertise is in defence; national security; transport, infrastructure and logistics; aviation and aerospace; cultural change; and organisational transformation.

In addition to her business degree, Ms Staib holds a Master of Business Studies (Logistics) and a Master of Arts (Strategic Studies). She was awarded the Conspicuous Service Cross and is a member of the Order of Australia. She was also a finalist in the Telstra Business Women's Awards (2012) and AFR 100 Women of Influence (2012), and a participant in the 2017–18 AICD Chairs Mentoring Program.

Ms Staib was appointed to the ASPI Council in January 2015.

Council Committees

Audit Committee

The functions of the ASPI Audit Committee include reviewing the appropriateness of ASPI's financial reporting; performance reporting; the risk oversight and management system; and the internal control system.

The committee's members in 2020–21 were as follows.

Kate Freebody, CAANZ, Chair of the ASPI Audit and Risk Committee



Kate Freebody has been a chartered accountant since 1987 and has continued to practise full time in both the private and public sectors in various roles as an external auditor, CFO/Finance Director and partner of the financial management consultancy firm FreebodyCogent Pty Ltd since 1993.

With a comprehensive financial management background in both the private and public sectors, Kate brings a wealth of practical, hands-on experience and knowledge of financial management and governance frameworks. Her experience includes direct and current experience

as an external member of audit and risk committees, almost 30 years of financial management consulting experience with ACT and federal agencies (through FreebodyCogent Pty Ltd), private- and public-sector experience as a chief financial officer and an accounting and audit background working with Deloitte, Sydney (with private-sector corporations) and Ernst & Young, Canberra (with government agencies).

Kate has direct and current experience as an external member of a range of federal and ACT Government audit and risk committees. .

Kate has been the external chair of the ASPI Audit and Risk Committee since March 2017

Geoffrey Brown, OAM FCA GAICD, Chief Audit Executive, Department of Defence



Geoff Brown has been on the ASPI Audit Committee for just over seven years and came to the role with significant senior executive and governance experience in both the private and public sectors.

Geoff is currently working as a private contractor in the Defence portfolio. Prior to his current role, he held three SES Band 2 roles: two in Defence and one in the Office of the Prime Minister and Cabinet, where he headed a taskforce directed by the Prime Minister. In Defence, Geoff was brought in to restructure and then rebuild the Audit and Fraud Control Division in a role he held for seven years, having held similar roles with similar responsibilities in Qantas, Boral, Unilever and Ernst & Young. On return from his work in PM&C, Geoff moved into the Defence Finance Group to head the Budgets and Financial Reporting Division.

Before joining Defence, Geoff was the CEO of a Macquarie Bank infrastructure fund responsible for the construction of the largest industrial estate in the Emirate of Abu Dhabi. In that role, he was on the board of a number of key entities involved in both the infrastructure fund and the project management entity responsible for the delivery of the project. Under Geoff's leadership, the fund delivered the first on-time, on-budget major infrastructure project in Abu Dhabi.

Geoff has also worked in a number of blue-chip multinational organisations, including Ernst and Whinney (E&Y), Qantas, Boral, Unilever, Mobil Oil and Esso. In most of his roles, he has worked internationally, including during his time with Qantas, where, following his role in internal audit, he was appointed General Manager Indonesia.

During that time, he was responsible for the management of the evacuation of Australians following the Bali bombings and the Marriott Hotel bombing the following year. Geoff was awarded his OAM for the work he did following the bombings. During his time in Indonesia, he was the Qantas representative on a number of local Qantas and Qantas Holiday boards.

Geoff served as a board member of the Camp Quality charity, where he was brought in to help the organisation restructure and refinance its operations. He has also been a member of the committee for the NSW Branch of the Institute of Chartered Accountants, and rose to the position of vice president.

Geoff holds an undergraduate degree in Business Studies (majoring in accounting and marketing) from Nepean CAE (now the University of Western Sydney). He qualified as a chartered accountant in 1983 and has been awarded the position of fellow of the Institute of Chartered Accountants in Australia and New Zealand.

Ms Gai Brodtmann, ASPI Council member



Gai Brodtmann is a member of the Australian Strategic Policy Institute Council, the National Security College Futures Council, Old Parliament House, Defence Housing Australia, Endometriosis Australia and Fearless Women boards and the Sapient Cyber advisory board.

She is also an occasional presenter and panellist at ASPI, the National Security College and Australian War College and a contributor to *The Strategist*.

Ms Brodtmann served as the Member for Canberra from 2010–19. She was Shadow Assistant Minister for Cyber Security and Defence from 2016–19 and Shadow Parliamentary Secretary for Defence from 2013–16, when she authored Labor’s cyber security and PFAS contamination policies.

Ms Brodtmann is a former member and deputy chair of the joint committees on Public Accounts and Audit and National Capital and External Territories and a former member of the Joint Standing Committee on Foreign Affairs, Defence and Trade and the Defence sub-committee.

Before her political career, Ms Brodtmann ran her own small business for ten years and was a federal public servant, primarily with the Department of Foreign Affairs and Trade and the Attorney-General's Department for a decade.

From 2000–09, she consulted in defence across a broad range of areas, including on capability acquisition and sustainment, financial and personnel management, youth development, science and technology, cultural change and diversity policy.

During her time in Foreign Affairs and Trade, Ms Brodtmann was posted to New Delhi and served on the Middle East desk, where she worked on the normalisation of the relationship with Iran and bilateral policy on Iraq, Jordan, Syria and Lebanon.

Ms Brodtmann's national security policy interests include cyber security, Women, Peace and Security, critical infrastructure, capability sustainment, sovereign capacity and community engagement.

She is a strong advocate of women in national security and female empowerment.

The Audit Committee invites the Executive Director, Chief Operating Officer and Director of Defence Strategy and National Security of ASPI and a representative from the Australian National Audit Office to its meetings.

During 2020–21, the committee met five times.

Research Committee

The ASPI Research Committee comprises senior ASPI staff, ASPI Council members and at least one senior representative from the Department of Defence. Under the current funding agreement, a portion of the funds received from the Department of Defence is directed to mutually agreed Defence-specific projects. Due to Covid-19 restrictions, the Research Committee did not meet in person during 2020–21. However, discussions were pivoted to online, and the Executive Director met with the Secretary of the Department of Defence and agreed on research themes for the 2021–22 financial year.



Chapter 6
Financials



Australian Strategic Policy Institute Limited

DIRECTORS' REPORT

The directors of the Australian Strategic Policy Institute Limited (ASPI) present this report on the financial year ended 30 June 2021.

Directors

The names of each person who has been a director during the year and to the date of this report are listed below.

LtGen (Ret'd) Kenneth J Gillespie AC DSC CSM (Chairman)
Mr Peter Jennings PSM
Ms Jane Halton AO, PSM
Mr Jim McDowell
The Hon Stephen Conroy
Mr Stephen Brady AO CVO
Dr Denis Dragovic
Ms Jennifer Ma
Former Senator the Hon Robert Hill AC
Dr Lavina Lee
The Hon Gai Brodtmann
Mr James Brown
The Hon Dr Brendan Nelson AO
AVM (Ret'd) Margaret Staib AM, CSC

Company Secretary

The following person held the position of the ASPI Company Secretary during the financial year:

Ms Karen Edwards

Principal Activities

The principal activity of ASPI during the financial year was to:

- encourage and inform public debate and understanding of Australia's strategic and defence policy choices;
- provide an alternative source of policy ideas to government;
- nurture expertise in defence and strategic policy; and
- promote international understanding of Australia's strategic and defence policy perspectives.

Operating Results

The operating result for 2020 – 2021 was a surplus of \$4,513,801 (2019 - 2020: surplus of \$581,893).

Review of Operations

Revenue has increased by \$4,043,260 from the previous financial year. On 27 May 2021, ASPI was granted an additional \$5,000,000 from the Department of Defence to support the activities of ASPI in Washington DC for the next two years. In accordance with the accounting standard of AASB 1058, the funding was recognised in the financial year.

Correspondingly, expenses increased \$111,352 from the previous financial year due to increased salary, consultants and additional administrative overheads. ASPI continued to operate in a Covid-safe environment during the financial year. ASPI implemented hybrid methodology of work from home and in the office. Interstate staff travel was reduced significantly, and deemed high-risk. Project deliveries and meetings with international and interstate stakeholders were held virtually.

Significant Changes in State of Affairs

As a direct impact of Covid-19, ASPI delivered majority of events virtually until December 2020. ASPI also delivered the 2020 annual conference virtually. From January 2021, ASPI returned to reduced face-to-face delivery, and was able to run paid events. The 2021 national conference was successfully delivered face-to-face in June 2021 and was well-attended.

After Balance date Events

As at 30 June 2021, ASPI recognised a contingent liability of a future Washington DC office lease. The office is scheduled to be open and operational by end of October 2021.

Future Developments

ASPI expects to maintain a steady growth in output and activities, particularly with the establishment of the Washington DC office.

Environmental Issues

ASPI's operations are not regulated by any significant environment regulation under a law of the Commonwealth or of a State or Territory.

Options

No options over issued shares or interests in ASPI were granted during or since the end of the financial year and there were no options at the date of this report.

Indemnifying Officers or Auditor

ASPI's insurance policy with Comcover includes cover for Directors' and Officers' Liability.

Proceedings on Behalf of ASPI

No person has applied for leave to attend court proceedings on behalf of ASPI or intervene in any proceeding to which ASPI is a party for the purpose of taking responsibility on behalf of ASPI for all or any part of those proceeds.

ASPI was not a party to any such proceeding during the year.

Auditor Independence Declaration

The auditor's independence declaration for the year ended 30 June 2021 was received on 27 August 2021.

Signed in accordance with a resolution of the Board of Directors.



LtGen (Ret'd) Kenneth J Gillespie AC DSC

Chair

27/08/2021



INDEPENDENT AUDITOR'S REPORT

To the members of the Australian Strategic Policy Institute Limited

Opinion

In my opinion, the financial report of the Australian Strategic Policy Institute Limited (the Company) for the year ended 30 June 2021 is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards — Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

The financial report of the Company, which I have audited, comprises the following as at 30 June 2021 and for the year then ended:

- Statement by the Directors, Executive Director and Company Secretary;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the relevant auditor independence requirements of the *Corporations Act 2001* and the relevant ethical requirements for financial report audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jennifer Carter
Senior Director
Delegate of the Auditor-General

Canberra
27 August 2021



LtGen (Ret'd) Kenneth J Gillespie AC DSC
Chairman
Australian Strategic Policy Institute Limited
Level 2, 40 Macquarie Street
BARTON ACT 2600

**AUSTRALIAN STRATEGIC POLICY INSTITUTE LIMITED
FINANCIAL REPORT 2020–21
AUDITOR'S INDEPENDENCE DECLARATION**

In relation to my audit of the financial report of the Australian Strategic Policy Institute Limited for the year ended 30 June 2021, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (b) no contravention of any applicable code of professional conduct.

Australian National Audit Office

Jennifer Carter
Senior Director
Delegate of the Auditor-General

Canberra
27 August 2021

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

**STATEMENT BY THE DIRECTORS,
EXECUTIVE DIRECTOR AND COMPANY SECRETARY**

In our opinion:

- a) the financial report and notes of the Company are in accordance with the *Corporations Act 2001* and:
 - i) comply with the Accounting Standards (including Australian Accounting Interpretations), and the *Corporations Regulations 2001*; and
 - ii) give a true and fair view of the Company's financial position as at 30 June 2021 and of the Company's performance for the year ended on that date; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



LtGen (Ret'd) Kenneth J Gillespie AC DSC

Chairman

27 August 2021



Executive Director

27 August 2021



Karen Edwards

Company Secretary

27 August 2021

Australian Strategic Policy Institute Ltd

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
NET COST OF SERVICES			
Expenses			
Employee benefits	1.1A	7,191,531	6,912,975
Suppliers	1.1B	2,622,263	2,940,454
Depreciation and amortisation	2.1A	1,297,092	1,137,195
Finance charge on lease liability		55,148	64,058
Total expenses		11,166,034	11,054,682
OWN SOURCE REVENUE			
Own source revenue			
Department of Defence core funding		9,000,000	4,000,000
Revenue from contracts		3,146,626	3,307,575
Sponsorship income		3,018,735	4,104,521
Events income		451,368	85,718
Miscellaneous income		37,500	62,500
Interest		25,329	58,241
Foreign exchange gain		277	18,020
Total own-source revenue		15,679,835	11,636,575
Net contribution by services		4,513,801	581,893
Surplus attributable to the Australian Government		4,513,801	581,893

The above statement should be read in conjunction with the accompanying notes.

Australian Strategic Policy Institute Ltd
STATEMENT OF FINANCIAL POSITION
as at 30 June 2021

	Notes	2021 \$	2020 \$
ASSETS			
<u>Current assets</u>			
Financial assets			
Cash and cash equivalents		8,324,818	2,954,180
Trade and other receivables		340,872	1,000,942
Total Financial assets		8,665,690	3,955,122
Non-financial assets			
Prepayments		141,898	22,592
Total Non-financial assets		141,898	22,592
Total current assets		8,807,588	3,977,714
<u>Non-current assets</u>			
Non-financial assets			
Property, Plant and Equipment	2.1A	972,947	1,428,757
Building right of use asset	2.1A	3,994,555	4,898,983
Intangibles	2.1A	943	67,932
Total non-financial assets		4,968,445	6,395,672
Total non-current assets		4,968,445	6,395,672
Total assets		13,776,033	10,373,386
LIABILITIES			
<u>Current liabilities</u>			
Payables			
Suppliers		411,127	176,209
Other payables	2.2A	195,143	127,649
Lease liability	2.2B	884,590	847,976
Unearned Income		180,601	642,094
Total payables		1,671,461	1,793,929
Provisions			
Employee provisions	3.1A	561,709	403,453
Total provisions		561,709	403,453
Total current liabilities		2,233,170	2,197,382

Non-current liabilities**Payables**

Lease liability	2.2B	3,258,296	4,142,885
Total payables		3,258,296	4,142,885

Provisions

Other provisions	2.2C	404,742	445,970
Employee provisions	3.1A	576,111	697,403
Total provisions		980,853	1,143,374

Total non-current liabilities		4,239,149	5,286,259
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Total liabilities		6,472,319	7,483,640
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Net assets		7,303,714	2,889,746
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EQUITY

Contributed equity		172,060	172,060
Retained surplus		7,131,654	2,717,685
Total equity		7,303,714	2,889,745

The above statement should be read in conjunction with the accompanying notes.

Australian Strategic Policy Institute Ltd
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2021

	Contributed equity		Retained earnings		Total equity	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Opening balance at 1 July						
Balance carried forward from previous period	172,060	172,060	2,717,685	2,135,792	2,889,745	2,307,852
Opening balance adjustment to website and WIP	-	-	(99,832)	-	(99,832)	-
Adjusted opening balance at 1 July	172,060	172,060	2,617,853	2,135,792	2,789,913	2,307,852
Comprehensive income						
Surplus/(Deficit) for the period	-	-	4,513,801	581,893	4,513,801	581,893
Closing balance as at 30 June	172,060	172,060	7,131,654	2,717,685	7,303,714	2,889,745

The above statement should be read in conjunction with the accompanying notes.

Australian Strategic Policy Institute Ltd

CASH FLOW STATEMENT

for the year ended 30 June 2021

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Cash received		
Defence funding	9,000,000	4,000,000
Revenue from contracts and sponsorships	7,027,306	6,952,988
Interest	26,105	65,011
Total cash received	16,053,411	11,017,999
Cash used		
Employees	(7,087,818)	(6,848,320)
Suppliers	(2,506,531)	(3,347,841)
Net GST paid	(164,139)	(167,263)
Total cash used	(9,758,488)	(10,363,424)
Net cash from operating activities	6,294,923	654,576
INVESTING ACTIVITIES		
Cash used		
Purchase of property, plant and equipment	(21,162)	(404,020)
Total cash used	(21,162)	(404,020)
Net cash (used by) investing activities	(21,162)	(404,020)
FINANCING ACTIVITIES		
Cash used		
Principal and interest payment of lease liability	(903,123)	(876,608)
Total cash used	(903,123)	(876,608)
Net cash (used by) financing activities	(903,123)	(876,608)
Net increase/(decrease) in cash held	5,370,638	(626,052)
Cash and cash equivalents at the beginning of the reporting period	2,954,180	3,580,232
Cash and cash equivalents at the end of the reporting period	8,324,818	2,954,180

The above statement should be read in conjunction with the accompanying notes.

The financial report of the Australian Strategic Policy Institute (ASPI) Limited for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the directors.

ASPI is a Commonwealth Government wholly owned not for profit company established in 2001. It is one of Australia's leading independent research bodies in the area of strategic and defence policy.

The Basis of Preparation

The financial report is general purpose financial report, which has been prepared in accordance with the requirements of the Australian Accounting Standards-Reduced Disclosure Requirements and the *Corporations Act 2001*, and interpretations issued by the Australian Accounting Standards Board and Urgent Issues Group that apply for the reporting period.

The financial report has been prepared on an accrual basis and are in accordance with the historical cost convention. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars and values are rounded to the nearest dollar.

New Accounting Standards

ASPI has considered the Changes to Accounting Standards guideline as per the Department of Finance for FY2020 - 2021. All new accounting standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on ASPI's financial report.

Revenue recognition

ASPI recognises revenue under two accounting standards; AASB15 *Revenue from Contracts with Customers* and AASB 1058 *Income for Not For Profit Entities*. Revenue from Contracts with customers is recognised when performance obligations (contract milestones) have been met. ASPI assesses its agreements with external parties using the five-step method of AASB15, and where these criteria are not met, revenue is recognised immediately upon receipt under AASB1058. AASB15 applies to revenue under the heading of "Revenue from Contracts". AASB1058 applies to revenue under the heading of:

- Department of Defence core funding
- Sponsorship income
- Events income
- Miscellaneous income

In accordance to AASB15, unearned income is recognised when cash is received, but performance obligations have not been met yet. At 30 June 2021, ASPI had one contract in unearned income, the full amount to be recognised in FY 2021-2022.

Taxation

ASPI is exempt from all forms of taxation except fringe benefits tax (FBT), the goods and services tax (GST) and payroll tax.

Events after the reporting period

On 27 May 2021, ASPI was granted an additional \$5,000,000 funding from the Department of Defence to support the activities of ASPI in Washington DC Office for the next two financial years. This funding was recognised fully under AASB1058 *Income for Not-For-Profits Entities*. ASPI will drawdown on this funding over the next two years for activities in the US. As at 30 June 2021, \$5,000,000 was held in ASPI bank account. In July, the amount was invested in an Australian term-deposit (50%) and the balance transferred into a USD bank account. (2020: nil).

The additional \$5M funding agreement did not satisfy the criterion of AASB15, therefore did not raise a liability as "unearned income". The funding was received via an addendum to the current agreement and was therefore treated similarly to ASPI's annual core-funding of \$4,000,000. For further information, refer to note 4.1.

Impact of COVID-19

The impact of the COVID-19 pandemic on the financial performance and position of ASPI continued for the first half of this FY, therefore ASPI face to face events only took place in the second half of this FY. The majority of non-major events were held virtually where practical. ASPI staff continued the hybrid method of working remotely and in the office during the FY with negligible or no loss in productivity. It is anticipated the impact on COVID-19 will continue in FY 2021-2022. Had it not been for the additional funding of \$5,000,000 for the establishment of the ASPI Washington DC Office, ASPI would have reported an operating loss of \$486,199.

Australian Strategic Policy Institute Ltd

FINANCIAL PERFORMANCE

This section analyses the financial performance of the company for the year ended 30 June 2021

	2021 \$	2020 \$
1.1 - Expenses		
1.1A - Employee benefits		
Wages and salaries	5,571,912	5,300,788
Superannuation	736,827	707,637
Long service leave	31,405	99,336
Annual leave	471,304	418,493
Other employee expenses	380,083	386,721
Total employee benefits	7,191,531	6,912,975
Accounting policy		
Accounting policies for employee related expenses is contained in the People and relationships section.		
1.1B - Suppliers		
Goods and services supplied or rendered		
Consultants	1,036,730	701,241
Communications	683,113	516,934
Office management & activities	566,342	495,685
IT services	93,322	190,269
Internal audit fees	72,794	30,306
Travel	66,208	914,215
Auditors remuneration	33,000	33,000
Insurance	20,491	16,077
Contractors	10,992	22,939
Interest	10,237	(2,775)
Bank Charges	2,798	5,421
Total goods and services supplied or rendered	2,596,027	2,923,312
Goods supplied	1,315,664	1,945,558
Services rendered	1,280,363	977,754
Total goods and services supplied or rendered	2,596,027	2,923,312
Other suppliers		
Workers' Compensation	26,236	17,142
Total other suppliers	26,236	17,142
Total suppliers	2,622,263	2,940,454

2.1 Non-Financial Assets

2.1A - Reconciliation of the opening and closing balances for Property, Plant and Equipment and Intangibles

Reconciliation of the opening and closing balances of property, plant, equipment and intangibles for 2021

	Furniture and Fittings \$	Leasehold Improvements \$	Plant and Equipment \$	Total property plant and equipment \$	Building Right-Of-Use Asset \$	Computer software \$	Website \$	Total intangibles \$	Work-In- Progress \$	Total \$
As at 1 July 2020										
Gross book value	305,493	2,303,702	465,362	3,074,556	5,803,411	10,637	132,100	142,737	36,353	9,057,057
Accumulated depreciation, amortisation and impairment	(114,709)	(1,273,200)	(294,243)	(1,682,152)	(904,428)	(6,184)	(68,621)	(74,805)	-	(2,661,385)
Total as at 1 July 2020	190,783	1,030,502	171,119	1,392,404	4,898,983	4,453	63,479	67,932	36,353	6,395,672
Opening balance adjustment to website and WIP	-	-	-	-	-	-	(63,479)	(63,479)	(36,353)	(99,832)
Adjusted total as at 1 July 2020	190,783	1,030,502	171,119	1,392,404	4,898,983	4,453	-	4,453	-	6,295,840
Additions										
Purchase	-	-	21,162	21,162	-	-	-	-	-	21,162
Adjustment to make-good asset	-	(51,465)	-	(51,465)	-	-	-	-	-	(51,465)
Depreciation and amortisation	(34,409)	(276,306)	(78,439)	(389,154)	(904,428)	(3,510)	-	(3,510)	-	(1,297,092)
Total as at 30 June 2021	156,374	702,731	113,842	972,947	3,994,555	943	-	943	-	4,968,445
Total as at 30 June 2021 represented by										
Gross book value	305,493	2,252,237	486,524	3,044,253	5,803,411	10,637	-	10,637	-	8,858,301
Accumulated depreciation, amortisation and impairment	(149,118)	(1,549,506)	(372,682)	(2,071,306)	(1,808,856)	(9,694)	-	(9,694)	-	(3,889,855)
Total as at 30 June 2021 represented by	156,374	702,731	113,842	972,947	3,994,555	943	-	943	-	4,968,445

2.1 Non-Financial Assets

2.1A - Reconciliation of the opening and closing balances for Property, Plant and Equipment and Intangibles

Reconciliation of the opening and closing balances of property, plant, equipment and intangibles for 2020

	Furniture and Fittings \$	Leasehold Improvements \$	Plant and Equipment \$	Work-in- Progress \$	Total property plant and equipment \$	Building Right-Of-Use Asset \$	Computer software \$	Website \$	Total intangibles \$	Total \$
As at 1 July 2019										
Gross book value	221,714	2,064,841	422,374	12,860	2,721,789	-	10,637	117,200	127,837	2,849,626
Accumulated depreciation, amortisation and impairment	(96,400)	(1,168,972)	(219,177)	-	(1,484,549)	-	(2,674)	(36,968)	(39,642)	(1,524,191)
Total as at 1 July 2019	125,314	895,869	203,197	12,860	1,237,240	-	7,963	80,232	88,195	1,325,435
Recognition of right of use asset on initial application of AASB 16	-	-	-	-	-	5,803,411	-	-	-	5,803,411
Adjusted total as at 1 July 2019	125,314	895,869	203,197	12,860	1,237,240	5,803,411	7,963	80,232	88,195	7,128,846
Additions										
Purchase	83,778	226,001	42,988	36,353	389,120	-	-	14,900	14,900	404,020
Transfer to/from WIP	-	12,860	-	(12,860)	-	-	-	-	-	-
Depreciation and amortisation	(18,309)	(104,228)	(75,066)	-	(197,603)	(904,428)	(3,510)	(31,653)	(35,163)	(1,137,195)
Total as at 30 June 2020	190,783	1,030,502	171,119	36,353	1,428,757	4,898,983	4,453	63,479	67,932	6,395,672
Total as at 30 June 2020 represented by										
Gross book value	305,493	2,303,702	465,362	36,353	3,110,909	5,803,411	10,637	132,100	142,737	9,057,057
Accumulated depreciation, amortisation and impairment	(114,709)	(1,273,200)	(294,243)	-	(1,682,152)	(904,428)	(6,184)	(68,621)	(74,805)	(2,661,385)
Total as at 30 June 2020 represented by	190,783	1,030,502	171,119	36,353	1,428,756	4,898,983	4,453	63,479	67,932	6,395,672

Australian Strategic Policy Institute Ltd

FINANCIAL POSITION

This section analyses the company's assets used to conduct its operations and the operating liabilities incurred as a result.

Accounting policy

Assets are recorded at cost on acquisition.

ASPI acquired assets at no cost from the Department of Defence in 2001/2002. These assets were initially recognised as contributions by owners at their fair value at the date of acquisition.

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up where there exists an obligation to restore the property to its original condition. These costs are included in the value of leasehold improvements with a corresponding provision for the 'make good' recognised.

Depreciation

Depreciable property plant and equipment assets are written off to their estimated residual values over their estimated useful lives to ASPI using, in all cases, the straight line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. The depreciation rate for leasehold improvements was adjusted during the FY to align to the lease term. In this case, the lease term of ASPI office premise is until 11 November 2025.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

<u>Asset class</u>	2021	2020
Furniture & Fittings	5 to 20 years	5 to 20 years
Leasehold Improvements	lease term	5 to 12 years
Building right-of-use asset	lease term	5 years
Plant & Equipment	4 to 10 years	4 to 10 years
Computer software	3 years	3 years
Websites	-	4 years

Impairment

All assets were assessed for impairment at 30 June 2021. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount. No indicators of impairment were identified (2020: Nil).

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if ASPI were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Intangibles

ASPI's intangibles comprise purchased software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight line basis over its anticipated useful life. The useful life of ASPI's software is 3 years (2020: 3 years). All software assets were assessed for indications of impairment as at 30 June 2021. No indicators of impairment were identified. (2020: Nil).

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. In accordance with AASB138 *Intangible Assets*, interpretation 132, the gross value of ASPI's projects website were derecognised on 1 July 2020 as an adjustment to the opening non-financial asset balance. Two websites were assessed and did not meet the requirements of generating future economic benefits for ASPI.

Building right-of-use asset

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by ASPI as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned. On initial adoption of AASB16 ASPI has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset. As at 30 June 2021, no indicators of impairment were identified. Leased ROU assets continue to be measured at cost after initial recognition in the financial report.

Australian Strategic Policy Institute Ltd

FINANCIAL POSITION

This section analyses the company's assets used to conduct its operations and the operating liabilities incurred as a result as at 30 June 2021.

	2021	2020
	\$	\$

2.2 - Payables

2.2A - Other payables

Salaries and wages	133,790	101,175
Superannuation	58,676	7,313
GST liabilities	2,677	19,161
Total other payables	195,143	127,649

2.2B - Lease Liability

Lease liability	4,142,886	4,990,862
Total lease liability	4,142,886	4,990,862

ASPI has a financial lease in place for office premise at Level 2 and conference facilities on the Ground Floor of 40 Macquarie Street Barton ACT 2600. The term of the lease is for seven years commencing 12 November 2018 with annual 3% rate increases.

Lease liability expected to be settled

Within 1 year	884,590	847,976
Between 2 to 5 years	3,258,296	3,770,467
Greater than 5 years	-	372,418
Total lease liability	4,142,886	4,990,861

Accounting policy

The lease liability is measured in accordance to AASB 16 *Leases*; whereby the full lease liability discounted using the incremental borrowing rate (IBR) method until the end of the lease term on 11 November 2025.

2.2C - Other provisions

Provision for restoration	404,742	445,970
Total other provisions	404,742	445,970

As at 1 July 2020

Adjustment to provision	(51,465)
Unwinding of discount	10,237
Total as at 30 June 2021	404,742

ASPI currently has one (2020: one) agreement for the leasing of premises which has provisions requiring the restoration of the premises to their original condition at the conclusion of the lease. ASPI has made a provision to reflect the present value of this obligation.

Australian Strategic Policy Institute Ltd

PEOPLE AND RELATIONSHIPS

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people as at 30 June 2021.

	2021 \$	2020 \$
3.1 - Employee Provisions		
3.1A - Employee provisions		
Annual leave	538,976	524,817
Long service leave	598,844	576,039
Total employee provisions	1,137,820	1,100,856
Employee provisions expected to be settled in no more than 12 months		
Annual leave - current	538,976	299,698
Long service leave - current	22,733	103,755
Total current employee provisions	561,709	403,453
Employee provisions expected to be settled in more than 12 months		
Annual leave - non current	-	225,119
Long service leave - non current	576,111	472,284
Total non-current employee provisions	576,111	697,403

Accounting policy

Liabilities for short term employee benefits and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

Leave

ASPI recognises long service leave (LSL) liability in by using the employee-by-employee analysis method; which is based on the organisation's staffing policy and the historical tenure of staff to allocate a probability to each staff member. ASPI uses a discount factor reflecting long term salary growth rate and 10 year bond rate (in line with the Department of Finance standard parameters) and suitable probability weights to reflect the present value of the future obligation.

Superannuation

ASPI's staff are members of the Public Sector Superannuation Scheme, or the PSS accumulation plan (PSSap) or other superannuation funds held outside the Australian Government. The PSS is a defined benefit scheme for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

ASPI makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. ASPI accounts for the contributions as if they were contributions to defined contribution plans.

Australian Strategic Policy Institute Ltd**PEOPLE AND RELATIONSHIPS**

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people as at 30 June 2021.

3.2 - Directors and Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. ASPI has determined the key management personnel to be its Council members and the Executive Director. Key management personnel remuneration is reported in the table below:

	2021 \$	2020 \$
Short term employee benefits		
Salary	334,840	313,319
Performance bonuses	53,342	53,342
Annual leave	26,439	23,277
Total short term employee benefits	414,621	389,938
Other long term employee benefits		
Long Service Leave	7,266	6,576
Total other long term employee benefits	7,266	6,576
Post Employment Benefits		
Superannuation	58,995	59,130
Total post employment benefits benefits	58,995	59,130
Total key management personnel remuneration	480,882	455,644

The total number of directors and key management personnel that are included in the above table are 13. (2020: 13)

12 of the 13 executives are part time Council members and the remaining member is the full time Executive Director of ASPI. Remuneration for both Council members and the Executive Director are subject to Remuneration Tribunal Determinations.

The above key management personnel remuneration excludes the remuneration and other benefits of the Defence Minister. The Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Company.

Australian Strategic Policy Institute Ltd

PEOPLE AND RELATIONSHIPS

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people as at 30 June 2021.

3.3 - Related Party Disclosures

Related party relationships

ASPI is a Commonwealth Government wholly owned not for profit company. Related parties to this entity are ASPI's Council members, the ASPI Executive Director and other Australian Government entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

The following transactions with related parties occurred during the financial year:

During the year, ASPI received sponsorship from the following company which an ASPI Council member is non-executive director:

- Boeing Defence Australia

ASPI transacts with other Australian Government controlled entities and other Australian government entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers compensation and insurance premiums. Other than Department of Defence core funding of \$9,000,000 received in FY2020-2021, these are not considered individually significant to warrant separate disclosure as related party transactions.

Refer to Note 3.1 Employee Provisions for details on superannuation arrangements with the Public Sector Superannuation Scheme (PSS) and the PSS accumulation plan (PSSap). A key management personnel was a Director of the Commonwealth Superannuation Corporation which is trustee to the PSS and PSSap superannuation schemes.

4.1 Contingent Assets and Liabilities

ASPI had contingent liabilities as at 30 June 2021 in the form of lease liability. On 27 May 2021, ASPI was granted an additional \$5,000,000 funding from the Department of Defence to support the establishment of the ASPI Washington DC Office in the FY2021-2022. ASPI will have an office lease on Washington DC, however given the early stage of establishing the branch, the future office lease amount cannot be reliably measured at 30 June 2021. The probable economic outflow will likely be in October 2021. ASPI had no contingent assets as at 30 June 2021. (2020: Nil)

Accounting policy

In accordance with AASB 137, *Provisions, Contingent Liabilities and Contingent Assets*; contingent liabilities are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or represent a liability in respect of which the amount cannot be reliably measured. Contingent liabilities are disclosed when settlement is greater than remote.

2021	2020
\$	\$

4.2 - Financial Instruments

4.2A - Categories of financial instruments

Financial assets

Financial assets measured at amortised cost

Cash at bank and on hand	8,324,818	2,954,180
Receivables for goods and services	340,872	1,000,942
Total financial assets measured at amortised cost	8,665,690	3,955,122

ASPI's cash position in 2021 increased significantly due to the additional \$5,000,000 received from the Department of Defence to support ASPI's activities in Washington DC for the next two years.

All receivables are expected to be recovered in no more than 90 days. Settlement terms for receivables is usually within 30 days of invoice date (2020: 30 days). Receivables are recognised at the nominal amounts due, less any impairment allowance. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Financial liabilities

Financial liabilities measured at amortised cost

Payables for goods and services	411,127	176,209
Total financial liabilities measured at amortised cost	411,127	176,209

All suppliers are expected to be settled in no more than 12 months. Settlement terms for suppliers is usually within 30 days of invoice date (2020: 30 days).

4.2B - Net gains or losses on financial assets

Financial assets measured at amortised cost

Interest revenue	25,329	58,241
Net gains on financial assets measured at amortised cost	25,329	58,241
Net gains on financial assets	25,329	58,241

Australian Strategic Policy Institute Ltd

MANAGING UNCERTAINTIES

This section analyses how ASPI manages financial risks within its operating environment.

Accounting policy

Financial Assets

ASPI classifies its financial assets in accordance with AASB 9 *Financial Instruments* in the following categories:

- a) financial assets at fair value through profit or loss;
- b) financial assets at fair value through other comprehensive income; and
- c) financial assets measured at amortised cost

According to AASB 9, the classification depends on both ASPI's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when ASPI becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash, and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date. ASPI's trade receivables that do not contain a significant financing component, for which ASPI has applied the practical expedient, are measured at the transaction price.

Derecognition of Financial Assets

Financial assets are assessed for write-off at the end of each reporting period.

If there is objective evidence or no reasonable expectations of recovering a financial asset in its entirety or a portion thereof, the gross carrying amount of the financial asset will be reduced through profit or loss.

Financial Liabilities

Financial liabilities are recognised and derecognised based upon trade date. All financial liabilities are measured at amortised cost, which is determined using the effective interest method, with interest expense recognised on an effective interest basis. Supplier and other payables are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

There has been no reclassification of financial instruments during the period (2020: none).

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Annexes

Annex A

ASPI publications

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Fergus Ryan, Audrey Fritz and Daria Impiombato

8 June 2021

Annuals

The cost of Defence 2020–2021: Part 1, ASPI 2020 Defence Strategic Update brief

Marcus Hellyer

12 August 2020

The cost of Defence 2020–2021: Part 2, ASPI 2020–2021 defence budget brief

Marcus Hellyer

22 October 2020

Counterterrorism Yearbook 2021

Leanne Close and Daria Impiombato

31 March 2021

The cost of Defence: ASPI defence budget brief 2021–2022

Marcus Hellyer

26 May 2021

Annex B

Articles and book chapters by ASPI staff

Robert Glasser

- ‘To reduce disasters, we must cut greenhouse emissions. So why isn’t the bushfire royal commission talking about this?’, *The Conversation*, 1 September 2020
- ‘Wrong to say NSW floods were beyond anyone’s expectations’, *Sydney Morning Herald*, 22 March 2021

Malcolm Davis

- ‘Australia’s strategic outlook and submarine capability’, in Tom Frame (ed.), *An Australian nuclear industry*, Connor Court, Redland Bay, 2020
- ‘Technological change, future wars and the arms trade’, in Andrew TH Tan, (ed.), *Research handbook on the arms trade*, Edward Elgar, Cheltenham, 2020
- ‘The United States’ astrostrategic future’, in ‘An Asian space odyssey—civil, military and commercial space ambitions’, *Diplomat Risk Intelligence Monthly Report*, no. 3, March 2021
- ‘Robots at war: the future for autonomous systems at sea in the Indo-Pacific’, ORF, 24 March 2021
- Numerous articles for *The National Interest* on North Korea security issues

John Coyne

- John was invited to publish with the Indian Centre for Land War Studies (CLAWS) December journal edition

Huong Le Thu

- ‘How Australia can supercharge digital engagement with Southeast Asia’, *Australian Foreign Affairs*, vol. 11, 2021
- ‘Vietnam and the search for security leadership in ASEAN’, co-authored with Ralf Emmers, *Asian Security*, 2021, 17(1), published online
- ‘Vietnam’s coming leadership change’, *The Diplomat*, 1 January, 2020
- ‘Southeast Asia and the Indo-Pacific concept: from reticence through resistance to reaction’, *Security Challenges*, 2020, 16(3)

- 'ASEAN and minilateralism', in Bhubhindar Singh, Sarah Teo (eds), *Minilateralism and regional security order*, London, Routledge, 2020

Brendan Nicholson

- Cover stories for three defence supplements produced by *The Australian*

Annex C

Opinion pieces by ASPI staff

July 2020

- 'AUSMIN talks: US returns to "normal" engagement with allies', Peter Jennings, *The Australian*
- 'Vietnam steps up to take ASEAN leadership role', Huong Le Thu, *Foreign Policy*

August 2020

- *Southeast Asia and the Indo-Pacific concepts: from resistance to reticence to reaction*, Huong Le Thu, Institute for Regional Security
- 'Vietnam's response to the United States' changing approach to the South China Sea', Huong Le Thu, *Foreign Affairs*
- 'University funding can be boosted through defence research', Peter Jennings, Robert Clark, *The Australian*
- 'China's influence on our campuses', Louisa Bochner, *The Saturday Paper*

September 2020

- *Australia confronts a contested space domain and a rising China*, Malcolm Davis, China Aerospace Studies Institute
- 'FinCEN files show banks are not serious enough about beating money laundering', John Coyne, *ABC News*
- 'Blast off from Bowen', Malcolm Davis, *The Australian*
- 'Loyal Wingman could transform Queensland defence industry', Malcolm Davis, *The Australian*
- *Rough waters ahead for Vietnam–China relations*, Huong Le Thu, Carnegie Endowment for International Peace

October 2020

- 'Challenges to sustainably increasing women's participation and gender equality in peacekeeping', Lisa Sharland, *IPI Global Observatory*
- 'New urgency to get to space fast', Malcolm Davis, *The Australian*
- 'Recent space developments', Malcolm Davis, *Spacewatch Asia–Pacific*
- 'Carrying on till she's carried out', Graeme Dobell, *Inside Story*
- 'Keeping watch on space', Malcolm Davis, *The Australian*

- 'The north can contribute to securing space', Malcolm Davis, *The Australian*
- 'Navy security training centre set for Territory', Anthony Bergin, *The Australian*
- 'Blue crimes on the rise in Pacific', Anthony Bergin, *The Australian*

November 2020

- 'Covid-19, security and mining in Africa', Lisa Sharland, *Australia's Paydirt*
- 'Alliance safe, but real danger lies ahead', Peter Jennings, *Weekend Australian*
- 'How the Lindt cafe siege exposed army atrocities', Brendan Nicholson, *The Australian*
- 'ASEAN's productive year', Huong Le Thu, *AsiaLink*

December 2020

- 'All-government support needed for effective national security strategy', Anthony Bergin, *The Age*
- '#SpaceWatchGL opinion: The year in space—2020—an Australian perspective', Malcolm Davis, *SpaceWatch Global*
- 'China's deal with PNG will deplete fishing stock and pose border risk', Anthony Bergin, Jeffrey Wall, *Sydney Morning Herald*
- 'What the coronavirus crisis has taught us about supply chains and sovereign capability', Anthony Bergin, *Policy Forum*

January 2021

- 'The COVID-19 pandemic and geopolitics in Southeast Asia', Huong Le Thu, *Asia Society*
- 'We must be ready to fight our corner as Taiwan tensions rise', Peter Jennings, *The Australian*
- 'Aussie businesses need to help check China in the Pacific', Anthony Bergin, Jeffrey Wall, *The Australian*
- 'Why are Moscow and Beijing happy to host the US far-right online?', Fergus Ryan, *Foreign Policy*
- 'In the wake of the US Capitol attack, Australian politics is consumed by a reactionary free speech debate', Ariel Bogle, *The Guardian*
- 'Vietnam's coming leadership change', Huong Le Thu, *The Diplomat*

February 2021

- ‘Vietnam picks control over reform at 13th National Party Congress’, Huong Le Thu, *Foreign Policy*
- ‘Papua New Guinea offer a stalking horse for China’, Michael Shoebridge, *The Australian*
- ‘China’s coastguard adds ballast to case for regional code of conduct’, Anthony Bergin, *The Australian*

March 2021

- ‘RAAF flying confidently into the next century’, Brendan Nicholson, *The Australian*
- ‘ASIO needs to counter terrorism with clear language’, Anthony Bergin, *The Age*
- ‘US brings strategic weight to Quad as China airs contempt’, Peter Jennings, *The Australian*
- ‘Pandemic on our northern doorstep likely to get worse’, Jeffrey Wall, Anthony Bergin, *The Australian*

April 2021

- ‘We’ll be on this rollercoaster for years’, Peter Jennings, *The Australian*
- ‘Joe Biden’s big blunder on Afghanistan will backfire’, Peter Jennings, *The Australian*
- ‘The fix: how Australia can supercharge its digital engagement with Southeast Asia’, Huong Le Thu, *Australian Foreign Affairs*

May 2021

- ‘Defence spending needs to match the risk of conflict’, Peter Jennings, *The Australian*
- ‘All-weather runway in Antarctica a “strategic imperative”’, Jeffrey McGee, Marcus Haward, Anthony Bergin, *The Australian*
- “‘Outstandingly stupid act’: can Australia actually defend itself?’, Michael Shoebridge, *The Australian*
- ‘Has Modi failed India?; and expanding our digital relationships with south-east Asia’, Huong Le Thu, *Between the Lines*
- ‘Island building rises as opportunity for China in the Pacific’, Hillary Mansour, Anthony Bergin, *The Australian*
- ‘The power and proximity of the dragon’, Graeme Dobell, *Inside Story*

June 2021

- 'Singapore's COVID plan offers pathway out of lockdowns', Anthony Bergin, *The Age*
- 'CSIRO and China: We can't just go with the flow in Antarctica', Anthony Bergin, *The Australian*
- 'It was one hour of global internet disruption ... but it could get a lot worse', Jocelinn Kang, *Sydney Morning Herald*
- 'Australia must respond to China's Pacific island adventures', Anthony Bergin, Jeffrey Wall, *Australian Financial Review*
- 'Australia and Vietnam—harnessing the positive momentum', Huong Le Thu, *La Trobe University*
- 'Change is critical for our future', Brendan Nicholson, *The Australian*

Annex D

ASPI events

Women in Defence and National Security Network events

1	1 July	Roundtable: ASPI – UNSW Women in Future Operations Working Group
2	7 July	Public webinar: WPS in 2020—Progressing implementation at a time of global uncertainty
3	16 July	Public webinar: WDSN Careers Panel: Professional pathways in the post-Covid-19 world
4	26 August	Public webinar: WDSN Careers Panel: Where to from here?
5	18 June	Roundtable: ASPI – UNSW Women in Future Operations Working Group

International strategic dialogues

1	18 August	ASPI–KAS Strategic Dialogue
2	1 September	ASPI–KAS Strategic Dialogue
3	18, 19, 24 & 25 November	Be'er Sheva Dialogue co-hosted with the International Institute for Counter-Terrorism (ICT) at the Interdisciplinary Center Herzliya, and the Begin–Sadat Center for Strategic Studies.
4	3 December	ASPI–JIIA Track 1.5 Dialogue
5	10 & 12 February	ASPI–CSIS US–Australia Track 1.5 Dialogue
6	9 March	ASPI–JIIA Track 1.5 Dialogue
7	27 April	Quad-Plus Dialogue co-hosted with JIIA, the Heritage Foundation and the Vivekananda International Foundation
8	15 June	Australia–India–Indonesia Trilateral Dialogue, co-hosted with ORF and FPCI
9	22 June	Australia–Indonesia Track 1.5 Dialogue, co-hosted with FPCI

Roundtables and workshops

1	26–27 October	ASPI–CSIS Taiwan Executive Program
2	5 November	Babar Amin, Pakistan’s High Commissioner to Australia
3	1 December	ASPI Expert Working Group on Quantum Technologies
4	16 February	Briefing on Xinjiang
5	26 February	Papua New Guinea Defence Organisation
6	11 March	Oriana Skylar Mastro, Center Fellow at Stanford University’s Freeman Spogli Institute for International Studies (FSI)
7	6 April	Major General Cheryl Pearce AM, former Force Commander of the UN Forces in Cyprus
8	12 April	ASPI workshop on ‘Responsible behaviours in space’, held in partnership with the Embassy of Japan in Australia
9	20 April	Digital resilience in northern Australia
10	20 April	Briefing on ASPI’s IndigiCyber and STEM Pathways Program
11	23 April	Global Voices
12	6 May	Workshop on ‘Establishing a domestic guided weapons enterprise’, held in partnership with Rafael Australia
13	14 May	Julie Inman-Grant, eSafety Commissioner
14	15 June	Briefing on Xinjiang
15	15 June	Jeremy Douglas, Regional Representative of the United Nations Office on Drugs and Crime (UNODC) for Southeast Asia and the Pacific
16	24 June	ASPI–CASI workshop on ‘China’s approach to deterrence and coercion’

Public events

1	10 September	2020 Counterterrorism Dialogue
2	7 October	Indo-Pacific Leaders Dialogue: The future of US–Australia relations, with US Ambassador Arthur B Culvahouse Jr
3	30 October	IndigiCyber and STEM Pathways event
4	9 December	Global Terrorism Index 2020 launch, co-hosted with the IEP
5	17 December	Publication launch: <i>Mapping Pacific contributions to UN peacekeeping: past experiences and future opportunities</i>
6	18 March	Public event: Are you ready for the new critical infrastructure law?
7	26 May	<i>Cost of Defence 2020–2021 briefing</i>
8	3 June	Publication launch: <i>An Australian strategy for the quantum revolution</i>
9	10–11 June	ASPI 2021 Conference: ‘Shape, Deter, Respond: Implementing the 2020 Defence Strategic Update’
10	23 June	Publication launch: <i>Mapping China’s Tech Giants: Covid-19, supply chains and strategic competition</i>

Masterclasses

1	22 April	ASPI masterclass: The US–Australia Alliance in a more contested Asia
2	13 May	ASPI Grey zone and disinformation masterclass

Webinars

1	22 July	Strategic Vision: Australia's future
2	23 July	Strategic Vision: Stepping up in the Pacific
3	24 July	Strategic Vision: Weekly wrap
4	27 July	Strategic Vision: The future of Indonesia
5	28 July	Strategic Vision: The future of Europe
6	30 July	Strategic Vision: China and the next world order
7	31 July	Strategic Vision: Weekly wrap
8	4 August	Strategic Vision: The future of the United States
9	6 August	Strategic Vision: The future of intelligence
10	7 August	Strategic Vision: Weekly wrap
11	11 August	Strategic Vision: Pandemics
12	12 August	Strategic Vision: Future climate challenges
13	12 August	Publication launch: <i>The cost of Defence 2020–21</i>
14	14 August	Strategic Vision: Final weekly wrap
15	18 August	Publication launch: <i>Working smarter, not harder: leveraging government procurement to improve cybersecurity and supply chains</i>
16	19 August	<i>Australian Foreign Affairs</i> , 'Spy vs spy' issue launch
17	25 August	Countering violent extremism: In conversation with His Excellency Abdulla Al Subousi, UAE Ambassador to Australia
18	27 August	Indo-Pacific Leaders Dialogue: Taiwan, with President Tsai Ing-wen, President of Taiwan
19	1 September	Launch of <i>Under Beijing's shadow</i> by Murray Hiebert
20	24 September	In conversation with Michael Outram APM, Commissioner of the Australian Border Force
21	13 October	Australian policing after Covid-19
22	14 October	Publication launch: <i>The flipside of China's central bank digital currency</i>
23	2 December	Law, politics and intelligence: A life of Robert Marsden Hope
24	24 February	TikTok and WeChat: where to now?
25	14 May	In conversation with Julie Inman-Grant, eSafety Commissioner

Special meetings

1	13 October	Cherie Ryan, vice president and regional managing director, Australia and New Zealand, Oracle
2	4 February	Northern Territory Government
3	23 February	Professor Tanya Monro, Chief Defence Scientist
4	1 March	Professor Akio Takahara, University of Tokyo
5	23 March	AFP Commissioner Reece Kershaw APM
6	30 March	Australia – Papua New Guinea Business Council
7	28 April	Paul Gulleik Larsen, Ambassador of Norway to Australia
8	17 May	Andrew Liveris, former chairman and chief executive officer of The Dow Chemical Company and director of DowDuPont
10	20 May	Martin Dube, Vice President, Oracle
9	24 May	ASPI Expert Working Group on Quantum Technologies
11	25 May	International Cyber and Critical Technology Engagement Strategy Briefing
12	24 June	Professor Ben Schreer, Executive Director, IISS–Europe

Annex E

Key roles at international conferences

Staff member	Conference
Dr David Engel	<ul style="list-style-type: none">Was an invited speaker on the Indonesian military in a virtual conference staged by the French Institute of International Relations (IFRI) on 12 May 2021
Dr Robert Glasser	<ul style="list-style-type: none">Spoke at the Queensland Disaster Management Conference, LGAQ, 'Evolution of our understanding of disaster risk in a changing climate', 9–11 June 2021Spoke at the meeting of Confederacy of Treaty Six First Nations, 'Climate change, natural disasters and communities', 26 May 2021
Malcolm Davis	<ul style="list-style-type: none">Australian Defence College, Defence and Strategic Studies Course, 'Space as a lever of strategic competition'Australian National University, 'Forward defence in depth'UNSW, 'Space as a contested domain'IISS presentation, Missile DialogueCASI, presentation on Australia's space progressADM Northern Defence Summit, 'The north and space'ADM Space Summit, 'Contested space'Wilton Park Conference, 'Responsible behaviour in space'United Nations Office on Outer Space Affairs (UNOOSA) Dialogue on Responsible Behaviour in Space, 'Australian perspectives on UNGA Resolution 75/36'Australia Korea Space Forum, 'Australia's space future'
Dr John Coyne	<ul style="list-style-type: none">Four presentations to Border Control Agency Management Program—VietnamTwo presentations to Regional Law Enforcement Management Program—VietnamPresented recent research findings on drug trafficking and policing strategies at the Canadian National Law Enforcement Conference

Staff member	Conference
Dr Teagan Westendorf	<ul style="list-style-type: none"> Presented recent research findings on drug trafficking and policing strategies at the Canadian National Law Enforcement Conference
Huong Le Thu	<ul style="list-style-type: none"> 89th Ottawa Security Conference, March 2021
Michael Shoebridge	<ul style="list-style-type: none"> Nepal Institute for International Cooperation and Engagement—Global Conclave National Bureau of Asian Research, 'China's military modernization: implications for regional security' Track 1.5 JIIA–ASPI 2.0 Track Dialogue Moderator, Be'er Sheva Dialogue
Peter Jennings	<ul style="list-style-type: none"> Participated in Australia America Leadership Dialogue (AALD) 2020 Program, virtually, 9–11 July 2020 Participated in ASPI–KAS CT Dialogue, Part 1, 18 August 2020 Participated in Foreign Policy Community Institute (FPCI) Global Town Hall Event and assisted FPCI by facilitating invitations for panellists and suggesting topics Participated in the ASPI–KAS CT Dialogue, Part 2, 9–10 September 2020 Presented and attended the AALD 2020 virtual dialogues, 20–21 October 2020 Delivered the keynote address at the Conference on Australian Foreign Affairs with China for the Colombian Embassy at the National Press Club, 26 October 2020 Participated in a closed-door roundtable with Canadian High Commissioner, 30 October 2020 Participated in FPCI Global Town Hall Event and assisted FPCI by facilitating invitations for panellists and suggesting topics, 20 November 2020 Participated in Be'er Sheva 1.5 Track Dialogue sessions, 18 & 26 November 2020 Delivered the keynote address at German–Australian Chamber of Commerce Dinner, 16 March 2021 Participated in (virtual) panel discussion hosted by the Hudson Institute, Washington DC, 17 March 2021 Presented to GNS class, Canada, re Deep dive: China geopolitics and behaviours, 18 March 2021

Annex F

Achieving ASPI's purposes

Table 9 outlines how ASPI worked in 2020–21 to achieve our purposes, as listed in our corporate plan. It provides either specific information or references to the relevant chapter of the annual report.

Table 9: How ASPI achieved its purposes, 2020–21

Purpose	How do we measure achievement?	Who benefits?	What we achieved in 2020–21
Conduct and publish research	The number and type of publications and <i>The Strategist</i> pieces produced by ASPI, together with examples of how the publications have contributed to the national debate	ASPI informs the public by publishing information and analysis on a full range of strategic, defence and national security issues that bear on the choices facing Australia over coming years.	Through five series of publications, 57 publications were produced. There were 1,050 pieces on <i>The Strategist</i> from 377 individual authors. Information about the contribution to the national debate of some of ASPI's publications is in Chapter 3 of this report.
Provide an alternative source of strategic policy ideas and advice	Participation in government advisory committees and expert panels	ASPI is a source of new ideas and innovative solutions for government, both through our published work and through policy analyses specifically commissioned by government.	ASPI staff were invited to participate in eleven government advisory committees and expert panels.
	Submissions to parliamentary inquiries		ASPI provided seven submissions to parliamentary inquiries. A list of the submissions is in Chapter 1.

Purpose	How do we measure achievement?	Who benefits?	What we achieved in 2020–21
Stimulate public discussion	Number and range of ASPI public events	ASPI informs the public by hosting several events open to the public and through readily accessible online material on ASPI's website each year, including opinion pieces, reports, podcasts and <i>The Strategist</i> .	ASPI conducted 75 events during 2020–21. A list of the events is in Chapter 4 and Annex D.
	Published opinion pieces		55 opinion pieces written by ASPI staff were published.
	Examples of media coverage contributing to the national debate		Examples of media commentary are in Chapter 3.
	Website, <i>The Strategist</i> and social media usage		Information and graphs on social media usage are in Chapter 1.
Promote international understanding	Ranking in University of Pennsylvania's Global Go To Think Tank Index	ASPI's standing as a respected source of analysis is recognised globally. This allows us to strengthen links and engage regularly with overseas think tanks to inform the international community of Australia's strategic and defence policy perspectives.	Information about ASPI's ranking in the University of Pennsylvania's Global Go To Think Tank Index is in Chapter 1.

Purpose	How do we measure achievement?	Who benefits?	What we achieved in 2020–21
	Invitations to speak at international conferences		ASPI staff attended nine international conferences as speakers. See Annex D for more details.
	Links with overseas think tanks		Information about ASPI's links to other think tanks is in Chapter 1.
	International visiting fellowships		ASPI hosted three Visiting Fellows.
	Participation in and hosting of international dialogues.		ASPI hosted nine Track 1.5 and Track 2 dialogues. A list of the dialogues is in Chapter 1.
Develop expertise	Number of interns whom ASPI supports		Due to the disruptions caused by Covid-19, ASPI departed from its usual practice of having two intakes for six-month placements in each calendar year. Instead, the Executive Director extended 2020's first intake of five interns for the whole calendar year to provide stability and continuity. Similarly, the first intake for 2021 has been extended for the whole year.
	Published pieces by interns		Publications: <ul style="list-style-type: none"> • <i>The power dynamics of Thailand's digital activism</i> • <i>Snapshot of a shadow war in the Azerbaijan–Armenia conflict</i> • <i>The influence environment: A survey of Chinese-language media in Australia</i>

Purpose	How do we measure achievement?	Who benefits?	What we achieved in 2020–21
			<ul style="list-style-type: none"> • <i>Pushing back against the Chinese Communist Party's coercive diplomacy</i> • <i>The flipside of China's central bank digital currency</i> • <i>The power dynamics of Thailand's digital activism</i> • <i>North of 26 degrees south and the security of Australia: Views from The Strategist (volume 3)</i> <p><i>The Strategist:</i></p> <ul style="list-style-type: none"> • Australia and New Zealand should help their island neighbours get into space • How to bring Indigenous expertise and experience into Defence and the digital economy • China's AI deployment in Africa poses risks to security and sovereignty • Semiconductors as a shield for Taiwan? • Establishing a semiconductor cradle in the Northern Territory • Tweet storm shows China aims to project power through provocation • Snapshot of a shadow war in the Azerbaijan–Armenia conflict • How LGBTQ+ activism is helping shape the fight for democratic freedoms in Hong Kong • Defence's responsibilities in an era of climate change

Purpose	How do we measure achievement?	Who benefits?	What we achieved in 2020–21
			<ul style="list-style-type: none"> • ‘Page not found’: what happens when diplomatic statements meet the WeChat censor • Covid-19’s impact on elections in the Indo-Pacific • Ardern shows the way in engaging with young voters • Malaysia’s new parties and old cronyism • How can journalists avoid being used in disinformation operations? • This is no time to take eyes off the South China Sea • Covid-19’s toll on Indonesia’s healthcare system • Survey reveals what Indonesians really think of Australia • Building an education and training link between northern Australia and eastern Indonesia • Australia needs to pick up the pace on innovation • Are Australia’s new armoured vehicles too heavy? • Defence needs to rethink its disaster-relief strategy • Australia has a key role to play in reducing China’s rare-earths dominance
	Participants in ASPI professional development courses		ASPI conducted 22 courses and workshops. A detailed list is in Chapter 2.

Annex G

Information about executive remuneration

Australian Strategic Policy Institute Ltd

The following four tables in this section describe a range of employment and post employment benefits provided to our key management personnel, Senior Executives and other highly paid staff.

Table 10: Remuneration information for key management personnel

Name	Position title	Short-term benefits			Other long-term benefits	Post-employment benefits	Total Remuneration
		Salary	Bonuses	Annual leave ¹			
Mr Peter Jennings PSM	Executive Director	302,621.80	53,342.10	26,438.53	7,265.55	55,529.44	445,197.41
Lieutenant General (Ret'd) Kenneth Gillespie AD DSC CSM	Chair of Council	4,450.00				489.50	4,939.50
Mr Stephen Brady AO CVO	Council member	3,560.00				391.60	3,951.60
The Hon Robert Hill AC	Council member	3,560.00				391.60	3,951.60
The Hon Stephen Conroy	Council member	3,560.00				391.60	3,951.60
Ms Jane Halton AO PSM	Council member	3,560.00				391.60	3,951.60
Ms Gai Brodtmann	Council member	3,560.00				391.60	3,951.60
Dr Lavina Lee	Council member	3,560.00				391.60	3,951.60
Ms Jennifer Ma	Council member	2,848.00				234.96	3,082.96
Mr James Brown	Council member	1,424.00				156.64	1,580.64
The Hon Dr Brendan Nelson AO	Council member	–				–	–
Dr Denis Dragovic	Council member	–				–	–
Air Vice Marshal (Retd) Margaret Staib AM CSC	Council member	2,136.00				234.96	2,370.96
Total		334,839.80	53,342.10	26,438.53	7,265.55	58,995.10	480,881.07

Notes:

1. Annual leave is calculated on an accrual basis as 20 working days per year based on the salary as at 30 June 2021
2. Long service leave is calculated on an accrual basis as 4.33 working days per year based on the salary as at 30 June 2021

Table 11: Remuneration information for senior executives

Total remuneration bands	Number of senior executives	Short-term benefits		Other long-term benefits	Post-employment benefits	Total remuneration
		Average base salary	Annual leave ¹			
\$0 to \$250,000	4	196,250.19	21,403.49	1,444.08	30,806.67	249,904.43

Notes:

1. Annual leave is calculated on an accrual basis as 20 working days per year based on the salary as at 30 June 2021.
2. Long service leave is calculated on an accrual basis as 4.33 working days per year based on the salary as at 30 June 2021.

Table 12: Remuneration information for other highly paid staff

Total remuneration bands	Number of senior executives	Short-term benefits		Other long-term benefits	Post-employment benefits	Total remuneration
		Average base salary	Annual leave			
\$200,000 to \$250,000	0					

Table 13: Remuneration information: Audit and Risk Committee members

Name	Position	Short-term benefits			Other long-term benefits		Post-employment benefits	Total remuneration
		Salary	Bonuses	Annual leave	Long service leave	Superannuation contribution		
Ms Kate Freebody	Chair of Audit & Risk Committee	10,500.00	–	–	–	–	–	10,500.00
Mr Geoff Brown	Committee member	–						
Ms Gai Brodtmann	Committee member	–						
Total		10,500.00	–	–	–	–	–	10,500.00

Annex H

ASPI by the numbers

The Australian Strategic Policy Institute is a wholly owned Commonwealth company formed in 2001 as an independent, non-partisan think tank. ASPI receives funding from Australian and overseas governments, industry and civil society groups for sponsorship, research and project support. ASPI remains independent in the content of our research and in all editorial judgements and employs a rigorous internal and external peer review process.

ASPI's sources of funding are identified in our annual report, online at www.aspi.org.au and in the 'Acknowledgements' section of individual publications.

For the 2020–21 financial year, this funding is broken down as shown in Table 14 and Figure 9.

Table 14: Revenue, 2020–21

Funding source	Amount	% of total
Department of Defence core funding	\$4,000,000.00	37.5%
Federal government agencies	\$2,620,978.73	24.5%
Overseas government agencies	\$1,955,782.25	18.3%
Private sector	\$737,362.30	6.9%
State and territory government agencies	\$445,000.00	4.2%
Defence industries	\$316,636.37	3.0%
Civil society and universities	\$89,600.76	0.8%
Other income	\$514,474.00	4.8%
Total	\$10,679,834.41	

Figure 9: Sources of revenue, 2020–21

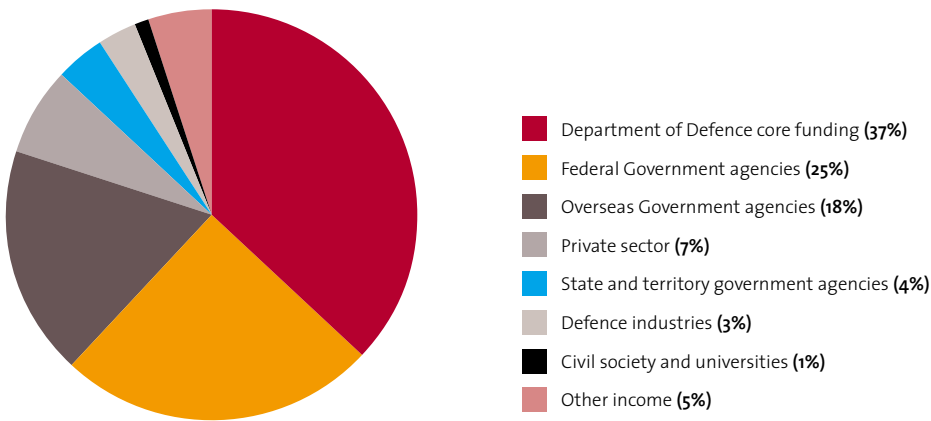


Table 15: Washington DC funding

Department or agency	Purpose	Amount
Department of Defence	Washington DC Office	\$5,000,000.00
		\$5,000,000.00

ASPI received a letter of variation for the grant between the government and ASPI to provide operational support to establish an ASPI office in Washington DC over two financial years: 2021–22 and 2022–23. The total of the variation is \$5 million, and the full amount was receipted into ASPI’s bank account on 5 June 2021. As this will create a mismatch between income and expenses in the next two financial years, for the purposes of the illustration of ASPI’s operation in this financial year (table 14 and figure 9), the \$5 million has been excluded.

2020–21 funding breakdown, by sector

1: Australian Department of Defence core funding

The Australian Department of Defence makes a single annual core funding payment of \$4,000,000.

2: Federal government agencies

In addition to the core funding provided by the Department of Defence, the Australian Government departments and agencies listed in Table 16 provided funding.

Table 16: Federal government agencies funding, 2020–21

Department or agency	Purpose	Amount
Attorney-General's Department	Advisory services and presentations by ICPC	\$69,090.91
Attorney-General's Department	ASPI Counterterrorism Program sponsorship	\$200,000.00
Australian Civil-Military Centre	Pacific UN peacekeeping project	\$91,830.00
Defence portfolio	Skilling Australia's North project	\$145,280.54
Defence portfolio	Better Policy program	\$444,145.45
Defence portfolio	Niagara Air Force program	\$371,400.00
Defence portfolio	Australia–Indonesia virtual dialogues	\$20,000.00
Defence portfolio	Air Practitioners in Joint Environment course	\$360,400.00
Defence portfolio	Comsec and quantum research	\$72,300.00
Defence portfolio	ICPC sponsorship	\$25,000.00
Department of Agriculture, Water & the Environment	ASPI advisory service	\$25,000.00
Department of Foreign Affairs & Trade	Australia–India Critical Technology project	\$56,363.64
Department of Foreign Affairs & Trade	The Sydney Dialogue	\$454,545.45
Department of Foreign Affairs & Trade	International Cyber and Critical Technology briefing	\$4,513.64
Department of Home Affairs	Chinese-language media project	\$80,000.00
Department of the Prime Minister and Cabinet	ICPC sponsorship, critical and emerging technology project	\$162,500.00
Federal government	Biodata and biotechnology roundtable	\$10,200.00
Federal government	China research project	\$28,409.10
		\$2,620,978.73

3: Overseas government agencies

The funding listed in Table 17 was received from overseas government agencies. Where appropriate, ASPI reports funding under the Foreign Influence Transparency Scheme at <https://www.ag.gov.au/integrity/foreign-influence-transparency-scheme>.

Table 17: Overseas government agencies, funding, 2020–21

Department or agency	Purpose	Amount
Government of Canada	An open-source-based assessment by ASPI	\$22,100.00
Konrad Adenauer Stiftung (Australia) Ltd	ASPI–KAS book project	\$15,000.00
The Embassy of Japan, Canberra	Pacific project and Space workshop	\$69,384.53
The Netherlands Government	United Front project	\$45,000.00
UK Foreign and Commonwealth Office	UNGGE ASEAN project	\$146,546.28
UK Foreign, Commonwealth & Development Office	Human Rights project	\$77,653.95
US Department of Defense (via Alion Science and Technology)	Smart cities project	\$2,500.00
US Department of State (via Institute for War & Peace Reporting)	Various ICPC projects, including Xinjiang human rights, China tech and systems of influence projects	\$985,140.40
US Department of State (via the US Embassy, Canberra)	Various ICPC projects, including talent recruitment, disinformation and social media, China tech projects	\$592,457.09
		\$1,955,782.25

4: Private sector

The funding listed in Table 18 was received from private-sector organisations.

Table 18: Private-sector organisations, funding, 2020–21

Company	Purpose	Amount
.au Domain Administration Ltd	.au test tool project	\$33,787.88
.au Domain Administration Ltd	ICPC sponsorship	\$20,000.00
Amazon Web Services Australia Pty Ltd	ICPC sponsorship	\$100,000.00
Australian Public Affairs	Data Centre risk and analysis	\$26,000.00
CyberCX Pty Ltd	ICPC sponsorship	\$50,000.00
Cyber Security Cooperative Research Centre Limited	ICPC sponsorship	\$15,000.00
Facebook	ICPC sponsorship	\$269,574.42
Google Australia Pty Limited	ICPC sponsorship	\$50,000.00
Jacobs Australia	ICPC sponsorship, Disinformation project	\$40,000.00
Microsoft Pty Ltd	ICPC sponsorship and research support on national security	\$89,500.00
Oracle Corporation Australia Pty Limited	Podcast series	\$31,000.00
Palo Alto Networks (Australia) Pty Ltd	ICPC sponsorship	\$12,500.00
		\$737,362.30

5: State and territory government agencies

The funding listed in Table 19 was received from Australian state and territory government departments and agencies.

Table 19: Australian state and territory governments, funding, 2020–21

Department or agency	Purpose	Amount
Northern Territory Government	<i>North of 26 degrees south publication, and Northern Territory ASPI project</i>	\$325,000.00
NSW Police Force	NSW Review of the Trusted Digital Identity Framework	\$120,000.00
		\$445,000.00

6: Defence industries

The funding listed in Table 20 was received from defence-related private-sector organisations.

Table 20: Defence-related private-sector organisations, funding, 2020–21

Company	Purpose	Amount
BAE Systems Applied Intelligence	Strong & Agile research project	\$90,000.00
Boeing Australia Holdings Pty Ltd	2021 ASPI conference sponsorship	\$18,181.82
Lockheed Martin Australia Ltd	Thought leaders publication	\$45,454.55
QinetiQ Australia	2021 ASPI conference sponsorship	\$15,000.00
Rafael Australia Pty Ltd	Missile workshop	\$18,000.00
Thales Australia	2020 ASPI conference sponsorship	\$130,000.00
		\$316,636.37

7: Civil society and universities

The funding listed in Table 21 was received from civil society organisations and Australian and overseas universities.

Table 21: Civil society organisations and universities, funding, 2020–21

Company	Purpose	Amount
Center for Strategic & International Studies	ASPI–CSIS 2020 Executive Program on International Security	\$9,000.00
International Committee of the Red Cross	Humanitarian Law and Policy Collaboration workshop	\$18,181.82
Property Council of Australia Limited	ICPC sponsorship	\$50,000.00
United Nations Institute for Disarmament Research	Consulting service	\$12,418.94
		\$89,600.76

8: Other income

ASPI's other income in FY 2020–21 comprises of events ticket sales, interest from term deposits and ATO cashflow booster.

Annex I

Index of annual report requirements

This index is included to meet the requirements of section 28E of the Public Governance, Performance and Accountability Rule 2014.

Content	Location in the Rule	Location in this report
ASPI's purposes	s 28E(a)	Chapter 1
Measurement and assessment of performance	S 28E(aa)	Chapter 3, Annex F
Responsible minister	s 28E(b)	Chapter 1
Ministerial directions and government policy orders	s 28E(c) – (e)	Not applicable
Information about directors	s 28E(f)	Chapter 5
Organisational structure	s 28E(g)	Chapter 1
Statistics on employees	S 28E(ga)	Chapter 1
Location of organisation	s 28E(h)	Inside front cover
Corporate governance practices	s 28E(i)	Chapter 5
Related entity transactions	s 28E(j) – (k)	Not applicable
Significant activities and changes affecting the company	s 28E(l)	Not applicable
Judicial decisions and decisions by administrative tribunals	s 28E(m)	Not applicable
Reports by the Auditor-General, parliament, Commonwealth Ombudsman, Australian Information Commissioner or Australian Securities and Investments Commission	s 28E(n)	Not applicable
Information from subsidiaries	s 28E(o)	Not applicable
Executive remuneration	S 28E(oa)	Annex G
Audit committee	S 28E(ob)	Chapter 5, Annex G
Index identifying requirements of section 28E	s 28E(p)	Annex I

The audited financial statements have been prepared in accordance with the requirements under the *Corporations Act 2001*; see Chapter 6.

Annex J

Acronyms and Abbreviations

ADF	Australian Defence Force
ANU	Australian National University
ASEAN	Association of Southeast Asian Nations
ASPI-PD	ASPI – Professional Development
CASI	China Aerospace Studies Institute
CCP	Chinese Communist Party
CSIS	Centre for Strategic and International Studies
CSPC	Climate and Security Policy Centre
CT	counterterrorism
DFAT	Department of Foreign Affairs and Trade
DSU	2020 Defence Strategic Update
FPCI	Foreign Policy Community of Indonesia
ICPC	International Cyber Policy Centre
ICT	Institute for Counter-Terrorism
IFPC	Indonesian Foreign Policy Community
IISS	International Institute for Strategic Studies
IIA	Japan Institute of International Affairs
KAS	Konrad-Adenauer-Stiftung
NATO	North Atlantic Treaty Organization
ORF	Observer Research Foundation (India)
PJCLE	Parliamentary Joint Committee on Law Enforcement
PRC	People's Republic of China
RAAF	Royal Australian Air Force
RAN	Royal Australian Navy
SES	Senior Executive Service

STEM	science, technology, engineering and mathematics
UK	United Kingdom
UN	United Nations
UNODC	UN Office on Drugs and Crime
US	United States
WDSN	Women in Defence and Security Network
WPS	women, peace and security

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