

Attn: Future Pathways Policy Team  
Ministry of Business, Innovation & Employment  
PO Box 1473, Wellington 6140

15 March 2022

### **Submission on Te Ara Paerangi Future Pathways Green Paper 2021**

As a private applied science company whose founders have decades of interaction with the New Zealand environmental research community, we are pleased to respond to the 2021 Green Paper. Our comments address just two of the key questions.

*KEY QUESTION 9: How do we design collaborative, adaptive and agile research institutions that will serve our current and future needs?*

We agree with the 2020 Te Pae Kahurangi panel recommendation that CRIs cannot execute their mandate to deliver public benefit while also being subject to the Companies Act. This duality has contributed to the landscape of competition and non-collaboration in parts of the national science sector, which among other things has had the effect of constraining the growth in private sector applied science within New Zealand. We are of the view that this has produced concomitant restraints on the technology export opportunities for New Zealand companies and reduced wealth creation within the economy.

Notably however, not all CRIs have found themselves in conflict between delivering benefit to the nation and to their identity as a company. We have operational experience with just two CRIs, and found that one could readily identify and execute national benefits in collaborations, while the other would almost always place the company's benefits above national interest. We do not understand the core reasons for such fundamental differences in their approach; both are subject to the same policy signals and shareholder expectations. Without doubt, the persistence of senior management and the type of people (and their vision) in governance roles has been influential. The architecture for future management and governance of research institutes and platforms should seek to avoid these outcomes, if possible.

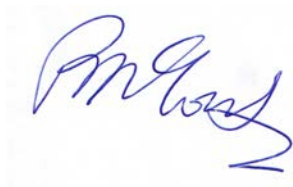
*KEY QUESTION 13: How do we better support knowledge exchange and impact generation? What should be the role of research institutions in transferring knowledge to operational environments and technologies?*

Historically, many New Zealand research institutes have viewed the transfer of knowledge gains (or IP) into operating environments not necessarily as pathways to impact, but rather potential commercialisation opportunities - in the manner a company might consider. However, the institutes are typically poorly suited to being effective at this, and examples of stellar success are few when the national portfolio is considered. As a result, much of the IP generated never sees the light of day. Further, it is often actively withheld from commercial realisation to avoid perceived competitive threats, which is fundamentally wasteful and certainly not in the national interest. We should be identifying clear pathways that allow the commercial and economic benefits to be realised to their optimum potential. Here, the role of the private sector, emerging entrepreneurs and spin off entities could be integrated and valued as part of a healthy science ecosystem.

With regard to knowledge exchange and impact generation, we have seen numerous examples of public research funding going into projects that create little impact because the pathways to achieve impact are redundant or inappropriate. Also, in many cases data arising from research is considered to be IP, whereas modern societies know that by democratising data, the science-led benefits can multiply through the economy. Accordingly, perhaps future research funding could consider data and information as core deliverables needed to run the country, while IP is more correctly defined in the context of new knowledge.

Thank you for this opportunity to respond.

Yours sincerely



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